CANADIAN

OPERATING & BORDER ACCESS REQUIREMENTS FOR FOREIGN MOTOR CARRIERS

NAFTA RESOURCE MANUAL

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Motor Carrier Operating and Border Access Requirements

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INTRODUCTION

The United States has indicated its intention to open the U.S.-Mexico border to Mexican-domiciled trucks in June 2002. Mexican carriers will need to meet U.S. operating and safety requirements before being granted full access to U.S. highways and could transit the U.S. into Canada.

This manual seeks to provide Mexican and U.S. carriers, as well as other interested parties, with information for operating international services into Canada. It outlines requirements for obtaining permits and appropriate operating certification, and for complying with vehicle and safety standards. The manual contains information on requirements for motor carrier insurance, the transport of dangerous goods, the entry of drivers under immigration rules, and on customs and other government department regulations.

Finally, the manual also provides contacts within the appropriate government agencies where additional information may be obtained.

This manual, compiled by the Motor Carrier Policy Branch of Transport Canada, makes use of documentation supplied by various government and industry sources and may be subject to periodic updates. Inquiries may be directed to the appropriate source organization.

This manual will also be made available on Transport Canada's website at www.tc.gc.ca

OVERVIEW – MOTOR CARRIER OPERATIONS IN CANADA

In Canada, motor carriers (truck and bus) are regulated by the federal and/or the provincial/territorial government, depending on where their vehicles operate. The federal government has jurisdiction over motor carriers providing inter-provincial and/or international services. However, under the *Motor Vehicle Transport Act,* 1987 (MVTA), the federal department of transportation, Transport Canada, delegates its authority to enforce federal motor carrier operating requirements to the provinces and territories. In addition, provinces and territories have jurisdiction over motor carriers that operate only within the bounds of the province or territory, as well as responsibility for highway safety, vehicle and driver registration, vehicle maintenance requirements and licensing.

At the time this manual was completed, the MVTA regulations were being amended to regulate motor carrier operations based on their safety performance. This new safety performance regime will be implemented consistently across Canada, once the MVTA is proclaimed, which is expected to occur in late 2002. Each province/territory will monitor and rate a motor carrier's safety performance as outlined in the 16 standards of the *National Safety Code for Motor Carriers* (NSC). Provinces and territories may sanction motor carriers whose safety performance (and/or that of their drivers or vehicles) is not satisfactory.

In order to operate, motor carriers will be required to register in their base jurisdiction's (in which their vehicles are plated) safety fitness program and present proof of public liability/property damage insurance. If a motor carrier satisfies all requirements, it obtains a Safety Fitness Certificate. To retain this Certificate, a motor carrier must comply with federal and provincial/territorial safety regulations. Some regulations may vary from jurisdiction to jurisdiction, so it is the responsibility of the carrier to ensure that its vehicles and drivers comply with applicable rules. The NSC applies to trucks with a registered gross weight in excess of 4,500 kg and/or buses with a seating capacity of 10 passengers or more, including the driver. More information can be found under tab seven "Safety."

In some Canadian provinces and territories, intercity and charter bus operations still require an economic license (operating authority). Intercity and charter buses operating in these jurisdictions are expected to prove that the service they propose is in the public interest. In some cases, applications for scheduled service face a higher standard of proof of public interest than applications for charter authority. Foreign charter and tour operators generally do not require an economic license in order to bring touring groups into Canada (i.e. a group enters and tours Canada and then leaves), but individual provinces vary in their regulatory requirements. Bus operators must meet the appropriate safety requirements, regardless of whether or not they require an operating authority. The general rule for a foreign bus operator is to contact the appropriate authorities in the province(s) or territories in which it expects to operate.

USEFUL INTERNET WEB SITES

Provincial and Territorial Transportation Departments:

Alberta www.trans.gov.ab.ca/	**Ontario** www.mto.gov.on.ca/english/trucks/
British Columbia www.icbc.com/Commercial_Vehicles/index.html	**Prince Edward Island** www.gov.pe.ca/tpw/index.php3
Manitoba www.gov.mb.ca/tgs/portal.html	**Québec** www.mtq.gouv.qc.ca/index_en.htm www.saaq.gouv.qc.ca/site/english.html www.ctq.gouv.qc.ca/reg/reg-ang.htm
New Brunswick www.gnb.ca/0113/index-e.asp	**Saskatchewan** www.gov.sk.ca/topic-picklists/?10
Newfoundland www.gov.nf.ca/gsl/	**Northwest Territory** www.gov.nt.ca/Transportation/index.html
Nova Scotia www.gov.ns.ca/snsmr/rmv/	**Yukon Territory** www.gov.yk.ca/depts/community/motorvehicles/index.html
Nunavut www.gov.nu.ca/cgt.htm	

Transport Canada
www.tc.gc.ca/roadsafety/mctr/mctr_e.htm

Transport of Dangerous Goods
www.tc.gc.ca./tdg/publications.htm

Temporary Entry to Canada under the North American Free Trade Agreement
www.cic.gc.ca/manuals-guides/english/FW-e/index.html

Guide to Importing Commercial Goods
www.ccra-adrc.gc.ca/E/pub/cp/rc4041em/README.html

Food, Animal, and Plant import requirements
www.inspection.gc.ca

SUMMARY OF OPERATING REQUIREMENTS

	REQUIREMENTS	SINGLE TRIP PERMITS
ALBERTA	• Operating authority in home jurisdiction (buses only) • Cargo insurance/fidelity bond and personal liability/property damage insurance • Alberta corporate registry • U.S. DOT safety rating • Proof of safety fitness (must be carried in cab)	Maximum of 6 per year
BRITISH COLUMBIA	• Proof of safety fitness • Registered office address in British Columbia • Cargo insurance/fidelity bond and personal liability/property damage insurance	30 day (combined authority and vehicle registration), maximum 2 per power unit per year
MANITOBA	• Proof of safety fitness • Cargo insurance/fidelity bond and personal liability/property damage insurance • Articles of incorporation (or national carrier registration) • Certificate of operating authority from home jurisdiction (Mexico or U.S.) • U.S. DOT safety rating	Up to 6 per year
NEW BRUNSWICK	• Must seek specific instructions • Cargo insurance/fidelity bond and personal liability/property damage insurance • Proof of safety fitness, and operating authority from home jurisdiction (Mexico or U.S.)	Must be purchased *before entering New Brunswick*
NEWFOUNDLAND AND LABRADOR	• Required for buses only • Cargo insurance/fidelity bond and personal liability/property damage insurance • Proof of safety fitness (must be carried in cab)	Not required
NORTHWEST TERRITORIES	• Not applicable	Not applicable
NOVA SCOTIA	• Required for buses only	Available (buses only)
NUNAVUT	• Not applicable	Not applicable
ONTARIO	• Commercial Vehicle Operator's Registration (CVOR) number (or application pending) • Cargo insurance/fidelity bond and personal liability/property damage insurance • Ontario business or agent's address • Bankruptcy statement • Safety fitness test	Available in extenuating circumstances only
PEI	• Not required	Not required
QUEBEC	• Copy of Certificate of Incorporation, if a corporation, or national carrier registration • Planned areas of operation in Quebec • Quebec address of head office, domicile or agent with power of attorney • Proof of safety fitness and insurance • Copy of Quebec fuel tax registration certificates • Registration as owner operator (if applicable)	10 day permits available
SASKATCHEWAN	• Safety fitness certificate valid for 5 years • Cargo insurance/fidelity bond and personal liability/property damage insurance • Corporate registration	Available (combined operating authority, vehicle registration, over weight, over dimension, and fuel tax)
YUKON	• Certificate of insurance, endorsed by insurance company • Certificate of incorporation, if a company • For buses, description of proposed routes/schedules • National Safety Code or U.S. DOT number, or registration in home jurisdiction	Up to 6 per carrier per calendar year

VEHICLE REGISTRATION

	REGISTRATION PERIOD	REQUIREMENTS	SINGLE TRIP PERMITS
ALBERTA	April 1 to March 31	• Proof of Ownership • Vehicle import form (if applicable) • Valid insurance • Safety fitness certificate (National Safety Code number) • Identification of registering party • Alberta address and corporate registry (IRP)	Available
BRITISH COLUMBIA	January 1 to December 31	• Valid insurance and licence • Safety fitness certificate (National Safety Code number) • Identification of registering party	Single trip or quarterly
MANITOBA	March 1 to February 28/29	• Proof of public liability and property damage insurance (including cargo insurance if a for-hire carrier) • New vehicles must submit the original New Vehicle Information Statement form provided by the manufacturer • Identification of registering party	Available
NEW BRUNSWICK	One Year	• Proof of ownership • Proof of a valid driver's licence • Proof of fuel tax registration (IFTA) • Identification of registering party	Available
NEWFOUNDLAND AND LABRADOR	One year	• Proof of ownership and insurance • Certificate of mechanical fitness for vehicles more than one model year old • Trucks/trailers pay full fees, but charter bus fees are waived if they have a valid registration in their home jurisdiction • Identification of registering party	Available (for truck/trailers)
NORTHWEST TERRITORIES	3 months to one year	• Proof of ownership, financial responsibility and insurance • Not part of IRP • Identification of registering party	Not issued; full registration required
NOVA SCOTIA	One Year	• Proof of ownership and insurance • Registration papers from home jurisdiction (Mexico or U.S.) • Identification of registering party	30 day
NUNAVUT	3 months to one year	• Proof of ownership, financial responsibility and insurance • Not part of IRP • Identification of registering party	Not issued; full registration required
ONTARIO	Staggered 3-15 months	• Proof of registration in home jurisdiction • Proof of empty weight • Canada Customs K22 form (for vehicles imported from the U.S.) • Proof of Ownership • Must register under IRP • Identification of registering party	10 day
PEI	Annual staggered by birth month of registered owner	• Proof of Ownership • Payment of sales tax (IRP) • Fuel tax registration • Identification of registering party	5 day
QUEBEC	April 1 to March 31	• Operating authority (for bulk carriers only) • Proof of Ownership • Canada Customs K22 form (for vehicles imported from the U.S.) • Identification of registering party	10 day
SASKATCHEWAN	One Year Staggered	• Tractor; proof of adequate insurance including $200,000 third party liability • Semitrailer; no further registration required if in possession of valid plates from home jurisdiction • Identification of registering party	As under Operating authority

YUKON	One year staggered according to carrier's name	• Certificate of insurance coverage must specify that it is valid for "all of Canada, *including the Northwest Territories and Yukon* • Identification of registering party	Available

FUEL TAX

	REQUIREMENTS	SINGLE TRIP PERMITS	RATE PER LITRE (cents)[1]
ALBERTA	• Quarterly reports for Alberta-based carriers • Refund for overpayment	Limited to six	9.0
BRITISH COLUMBIA	• Monthly reports • Credit or refund for overpayment	Up to 6 per vehicle per 6 months	11.5
MANITOBA	• Quarterly reports • Refund of overpayment must be requested within the year	Available	10.9
NEW BRUNSWICK	• Quarterly reports • Refund of overpayment must be requested within 3 years	Available	13.7
NEWFOUNDLAND AND LABRADOR	• Monthly reports	Not issued	16.5
NORTHWEST TERRITORIES	• Monthly reports or deposit • Refund for overpayment		8.5
NOVA SCOTIA	• Monthly reports • Credit for overpayment must be used within calendar year	Available	15.4
ONTARIO	• Quarterly reports • Automatic refunds for overpayment over $10; less, credit	2-3 days (200-600 km) single trip, *only for fleets that travel less than 10,000 km (6215 miles) per year in Ontario*	14.3
PEI	• Quarterly reports • Credit for overpayment must be used within calendar year • No refunds	Available	12.5
QUEBEC	• Temporary permits available under IFTA	3-day single trip, provided fleet makes no more than 5 trips and does not exceed 10,000 km (6215 miles) per year in the province	13.3
SASKATCHEWAN	• Quarterly reports • Credit for overpayment up to $100; refunds beyond	As under operating requirements, no refund for any fuel tax paid	15.0
YUKON	• Monthly reports • $300 bond • Refunds for overpayment	At $0.04 per km for single trips	7.2

Note: Mexico is not currently a member of IFTA; the requirements listed above may not apply to Mexican drivers in the same way as they would for Canadian and U.S. drivers.

[1] Subject to change.

BRITISH COLUMBIA

OPERATING REQUIREMENTS

Insurance Corporation of British Columbia
Motor Carrier Department
McLaren Centre
104-4240 Manor Street
Burnaby, British Columbia
V5G 1B2
Phone: (604) 453-4250
Fax: (604) 453-4253

upon production of:

- Proof of fitness
- Registered office address in British Columbia
- Proof of financial responsibility (cargo insurance)

Trip Permits: Single trip, 30-day permits (combined operating authority and vehicle registration) available from district offices and weigh scale locations. Maximum 2 permits per power unit per year.

VEHICLE REGISTRATION

Insurance Corporation of British Columbia
Interjurisdictional Licensing Office
P.O. Box 7500
Vancouver, British Columbia
V6B 5R9
(604) 443-4450

Registration Period: January 1 to December 31.

Requirements

- Financial responsibility statement and valid license. Tractors and semitrailers must be registered in name of the motor carrier licensee.

Trip Permits: Single trip (as above) and quarterly permits available.

IRP

(604) 443-4450

FUEL TAX

Ministry of Finance
Consumer Taxation Branch
Motive Fuel Section
1082, Douglas Street
Victoria, British Columbia
V8T 4K6
IFTA Registration: (250) 387-0635
Motive Fuel Tax: (250) 387-3367

Requirements

Monthly reports. Credit or refund for overpayment.

Trip permits: Up to six single trip permits per vehicle per six months available from weigh scales.

ALBERTA

OPERATING REQUIREMENTS

Extra-provincial operating authority certificate from:

Alberta Transportation Vehicle Safety and Carrier Services
Provincial Building, Room 401
4920 - 51 Street
Red Deer, Alberta T4N 6K8
(403) 340-5021

upon production of the following documents:

- operating authority issued in Mexico or the U.S.
- cargo insurance/fidelity bond and personal liability and property damage insurance
- Alberta corporate registry
- U.S. DOT safety rating

Trip permits: single trip permits, issued at above office or at vehicle inspection stations or district offices. Maximum 6 permits per calendar year.

VEHICLE REGISTRATION*

Must register tractor (power unit) with:

Alberta Transportation Prorate Services
1st Floor, Willowglen Business Park
803 Manning Rd. NE
Calgary, Alberta T2E 7M8
(403) 297-2920

* Prorate through home jurisdiction (if applicable)

Trailer license plates can be obtained from any office of Alberta Registries. Where

carrier is not prorated in Alberta, can obtain permit through Alberta transport or any vehicle inspection station.

Registration period: April1 to March 31.

Requirements

- proof of ownership
- vehicle import form
- valid interprovincial insurance
- operating authority
- identification of registering party
- Alberta registration address
- Alberta corporate Registry

Trip permits: Available

IRP

(403) 340-5430

FUEL TAX*

Alberta Treasury
Tax Services
2nd Floor W, Sir Frederick
W. Haultain Bldg.
9811 - 109 Street
Edmonton, Alberta T5K 2L5
Fuel Tax Reporting: (780) 427-0222
IFTA Registration: (780) 427-3044

Requirements

Quarterly reports filed for Alberta-based carriers. Refund for overpayment.

* Most Canadian and U.S. jurisdictions are part of IFTA. All filing is done through home jurisdiction.

SASKATCHEWAN

OPERATING REQUIREMENTS

Highway Traffic Board
2260 11th Avenue
Regina, Saskatchewan
S4P 0J9
(306) 775-6672

Safety fitness certificate valid for 5 years. Applicant must provide proof or insurance, safety fitness, and corporate registration.

Trip permits: Single trip permits available (permits available for operating authorities, registration, over weight, over dimension, and fuel tax).

VEHICLE REGISTRATION

Saskatchewan Government Insurance
International Registration Plan (IRP)
2260 - 11th Avenue
Regina, Saskatchewan
S4P 0J9
(306) 751-1251

Registration period: Staggered.

Requirements

Tractor: Proof or adequate insurance, including $200,000 third party liability.

Semitrailer: No further registration required if in possession of valid plates from home jurisdiction.

Trip permits: As under Operating Requirements.

IRP

(306) 751-1251

FUEL TAX

Saskatchewan Finance
Revenue Division
2350 Albert Street
Regina, Saskatchewan
S4P 4A6
(306) 787-7749

Requirements

Quarterly reports. Credit for overpayment up to $100, refunds beyond.

Trip permits: As under Operating Requirements. No refund for any fuel tax paid.

MANITOBA

OPERATING REQUIREMENTS

Motor Transport Board
Room 200-301 Weston Street
Winipeg, Manitoba R3E 3H4
(204) 945-8915

- Upon satisfactory evidence of safety fitness, the Motor Transport Board will process an application for an operating authority. The Board will accept a certificate of operating authority from the carrier's home jurisdiction (US or Mexico) as evidence of fitness.

Trip Permits: Up to 6 operating authority permits per year are allowed. Permits are available from highway inspection stations or directly from the Motor Transport Board.

VEHICLE REGISTRATION

Manitoba Transportation and Government Services
Division of Driver and Vehicle Licensing
Commercial Vehicle Registrations section
1075 Portage Avenue
Winnipeg, Manitoba R3G 0S1
(204) 945-7380
email: IRP@gov.mb.ca

Registration Period: March 1 to February 28/29.

Requirements

To register vehicles under the International Registration Plan (IRP), international of U.S. carriers must have "an established place of business" in Manitoba as set out in the IRP agreement.

Trip Permits: Available.

Other requirements:

A Bill of Sale, change of ownership certificate and current vehicle safety inspection is required to register a used vehicle. The holder of an operating authority will provide written authorization for an owner operator to register vehicles in the name of the motor carrier holding the operating authority. New vehicles must submit the original New Vehicle Information Statement form provided by the manufacturer. Leased vehicles must submit a copy of the lease agreement.

Limited operation with smaller vehicles

Vehicles registered in an IRP member jurisdiction with a registered gross weight of 11,793 kg or less (26,000 pounds) will be allowed to operate within Manitoba up to seven consecutive days in a calendar year or up to seven single trips in any calendar year without the requirement to purchase single trip permits or register the vehicle under IRP.

Trip Permits: Single trip permits are available through the Motor Transport Board or through:

Permit Services
1550 Dublin Avenue
Winnipeg, MB R3E 0L4
(204) 945-3961.

Single trip permits, operating authority permits and fuel tax permits are also available from highway inspection stations/ highway weigh stations at or near points of entry to Manitoba and various locations throughout the province.

IRP

(204) 945-8915

FUEL TAX

Manitoba Department of Finance
Taxation Division
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
(204) 945-5603
Toll Free: 1-800-782-0318
Email: MBTax@fin.gov.mb.ca

Quarterly Reports: Refund of overpayment must be requested within the year.

Trip Permits: Available at weigh scales and inspection stations upon payment of tax for single trips.

ONTARIO

OPERATING REQUIREMENTS

Ministry of Transportation
Carrier Sanctions & Investigations Office
301 St. Paul St., 3rd Floor
St. Catharines, Ontario
L2R 7R4
Local: (905) 704-2520
Toll Free: 1-800-387-7736
Fax: (905) 704-2525

- Applicant must provide Commercial Vehicle Operator's Registration Certificate (CVOR) number (or submit application for it and Operating Authority), proof of insurance, bankruptcy statement, safety fitness test, and Ontario business address of an agent resident in Ontario.

Trip Permits:

a. 1 day (good for 4 day period)

1 truck, 1 trip - in full, out empty.
$100, maximum 3 permits per year.

b. 7 day (special permit)

- Good for 7 days, unlimited trucks and trips, in full, out full.
- Must have operating authority in home jurisdiction.
- $100, maximum 3 permits per year.

VEHICLE REGISTRATION

Ministry of Transportation
Carrier Sanctions & Investigations Office
301 St. Paul St., 3rd Floor
St. Catharines, Ontario
L2R 7R4
Local: (905) 704-2520
(905) 704-2500
Toll Free: 1-800-387-7736
Fax: (905) 704-2525

Registration Period: Staggered; minimum purchase 3 months, maximum 15 months.

Must Register under the International Registration Plan.

Requirements

- Proof of registration
- Proof of empty weight
- Appropriate Canada Customs documents
- Proof of ownership

Trip permits: 10-day permits available through various private permitting companies.

IRP

(905) 704-2500

FUEL TAX

Ministry of Finance
Motor Fuels and Tobacco Tax Branch
33 King Street West, 3rd Floor
P.O. Box 620
Oshawa, Ontario
L1H 8E9
(905) 433-6389 or
(905) 433-6412

Requirements

Quarterly reports. Automatic refunds for overpayment over $10, else credit.

Trip permits: 2-3 day (200-600 km) single trip permits available only for fleets that travel less than 10,000 km (6,125 miles) per year in Ontario.

QUÉBEC

OPERATING REQUIREMENTS

Commission des Transports du Québec
200 chemin Ste.-Foy, 7e étage
Quebec, (Québec) G1R 5V5
(418) 643-5694

Application must include:

- Copy of Certificate of Incorporation, if a corporation
- Planned areas of operation in Québec
- Québec address of head office, domicile, or agent with power of attorney
- Proof of safety fitness and insurance
- Copy of Québec fuel tax registration certificate
- Registration as owner operator

Trip Permits: 10 day permits available.

VEHICLE REGISTRATION

Société de l'assurance automobile du Québec
333 boulevard Jean-Lesage
Case postale 19600
Québec, (Québec) G1K 8J6
(418) 528-3230

Registration Period: April 1 to March 31.

Requirements

- Operating authority (for bulk carriers only). Proof of ownership. Canada Customs K22 form (for vehicles imported from the U.S.)

Trip Permits: 10-day single trip permits available.

IRP

(418) 528-4518 or
(418) 528-4522

FUEL TAX

Ministère du revenu du Quebec
3800 rue de Marly
Ste. Foy, P.Q.
G1X 4A5
(418) 659-4692

Requirements

Temporary permits available under IFTA.

Trip permits: Single trip permits available, provided fleet makes no more than 5 trips and does not exceed 10,000 km (6,125 m) per year in the province.

NOVA SCOTIA

OPERATING REQUIREMENTS

Nova Scotia Utilities and Review Board
Public Passenger division
P.O. Box 1692, Postal Unit M
Halifax, Nova Scotia
B3J 3S3
(902) 424-3588

Required for buses only.

Trip Permits: Available from above address (buses only).

VEHICLE REGISTRATION

Buses: Above address.

For-hire carriers:

Registry of Motor Vehicles
P.O. Box 1652
Halifax, Nova Scotia
B3J 2Z3
(902) 424-7700

Registration period: One year.

Requirements

Proof of ownership and insurance. Registration papers from home jurisdiction (Mexico or U.S.).

Trip Permits: 30-day single trip permits available.

IRP

(902) 424-7700 or
(902) 424-5536

FUEL TAX

Fuel & Tobacco Tax Division
P.O. Box 755
Halifax, Nova Scotia
B3J 2V4
(902) 424-2850

Requirements

Monthly reports. Credit for overpayment must be used up within calendar year.

Trip Permits: Available at weigh stations.

NEW BRUNSWICK

OPERATING REQUIREMENTS

Operating authorities are not required in New Brunswick but all trucks must comply with safety requirements for trip inspection, mechanical fitness, hours of service and load security.

Specific requirements must be obtained from:

Motor Carrier Board
110 Charlotte Street (or P.O. Box 5001)
St. John, New Brunswick
E2L 2J3

In general, proof of insurance, fitness and operating authority from home jurisdiction (Mexico or U.S. DOT) are required.

Trip permits: Single trip license must be purchased from Motor Carrier Board before entering New Brunswick.

VEHICLE REGISTRATION

Department of Transportation
Transportation Policy Branch
P.O. Box 6000
Room 573, Kings Place, York Towers
Fredericton, New Brunswick
E3B 5H1
(506) 453-2982

Registration Period: One year.

Requirements

Proof of ownership, valid driver's license, fuel tax registration.

Trip Permits: Available.

IRP

(506) 453-2215

FUEL TAX

Department of Finance
Revenue Division
670 King St.
P.O. Box 3000
Fredericton, New Brunswick
E3B 5G5
(506) 453-2408

Requirements

Quarterly reports. Refunds for overpayment must be requested within 3 years.

Trip Permits: Available.

PRINCE EDWARD ISLAND

OPERATING REQUIREMENTS

Not required for either buses or for-hire carriers.

Trip Permits: Not required.

VEHICLE REGISTRATION

Department of Transportation and Public Works
Highway Safety Division
P.O. Box 2000
Charlottetown, Prince Edward Island
C1A 7N8
(902) 368-5202

Registration Period: Annual, staggered by birth month of registered owner, or company-selected date.

Requirements

Proof of ownership and insurance. Payment of sales tax. Fuel tax registration.

Trip Permits: 5-day single trip permits available.

IRP

(902) 368-5202

FUEL TAX

Department of the Provincial Treasury
Taxation and Property Records Division
P.O. Box 1330
Charlottetown, Prince Edward Island
C1A 7N1
(902) 368-4070

Requirements

Quarterly reports. Credit for overpayment, must be used within calendar year. No refunds.

Trip Permits: Available at weigh stations.

NEWFOUNDLAND AND LABRADOR

OPERATING REQUIREMENTS

Motor Vehicle Registration Division
Department of Government Services and Lands
P.O. Box 8710
St. John's, Newfoundland A1B 4J5
(709) 729-6432

Required for buses only operating on the Trans Canada Highway where passengers originate and terminate on the Trans-Canada Highway.

VEHICLE REGISTRATION

Motor Vehicle Registration Division
Department of Government Services and Lands
P.O. Box 8710
St. John's, Newfoundland A1B 4J5
(709) 729-2519

Registration period: One year.

Requirements

Proof of ownership and insurance. Certificate of mechanical fitness for vehicles more than one model year old. Trucks/trailers pay full fees, but charter bus fees are waived if they have a valid registration in their home jurisdiction.

Trip permits: Available (for trucks/trailers) at ports of entry and weigh scales.

IRP

(709) 729-3678

FUEL TAX

Department of Finance
Taxation and Fiscal Policy Branch
P.O. Box 8700
St. John's, Newfoundland
A1B 4J6
Telephone: (709) 729-6297

Requirements

Monthly reports. A rebate claim normally covers a period of 3 months and be greater than $100.00

Trip permits: Not issued.

YUKON

OPERATING REQUIREMENTS

Yukon Motor Transport Board (S-7)
P.O. Box 2703
Whitehorse, Yukon
Y1A 2C6
(403) 667-5782

Applicant must provide:

- NSC or DOT number in home jurisdiction
- certificate of insurance, endorsed by insurance company
- certificate of incorporation, if a company
- for buses, description of proposed route/schedule

Trip permits: available at weigh stations, up to 6 per carrier per calendar year.

VEHICLE REGISTRATION

Department of Motor Vehicles
P.O. Box 2703
Whitehorse, Yukon
Y1A 2C6
(403) 667-5315

Registration Period: One year. Staggered according to carrier's name, so initial period may be anywhere from 6 to 18 months.

Requirements

- certificate of insurance coverage; must specify that it is valid for "all of Canada, including the Northwest Territories and Yukon."

Trip Permits: Available.

IRP

The Yukon is not part of IRP.

FUEL TAX

Department of Finance
P.O. Box 2703
Whitehorse, Yukon
Y1A 2C6
(403) 667-5345

Requirements

Monthly reports. $300 bond. Refund for overpayment of tax.

Trip Permits: Available at weigh stations.

NORTHWEST TERRITORIES

OPERATING REQUIREMENTS

Not required.

VEHICLE REGISTRATION

Department of Transportation
Road Licencing and Safety Division
P.O. Box 1320
Yellowknife, N.W.T. X1A 2L9
(867) 920-8915

Registration Period: 3 months to one year.

Requirements

- Proof of ownership, financial responsibility, and insurance.

Trip permits: Not issued; full registration required.

IRP

The Northwest Territories are not part of IRP.

FUEL TAX

Department of Finance
Tax Administration
P.O. Box 1320
Yellowknife, N.W.T.
(867) 873-7296

Requirements

Monthly reports or deposit. Refund for overpayment.

NUNAVUT

OPERATING REQUIREMENTS

Motor Vehicle Division
Department of Community Government and Transportation
Bag 1000, Stn. 775
Iqaluit, Nunavut X0A OHO
(867) 975-5381

Applicant must provide:

- certificate of insurance, endorsed by insurance company

VEHICLE REGISTRATION

Motor Vehicle Division
Department of Community Government and Transportation
Bag 1000, Stn. 775
Iqaluit, Nunavut X0A OHO
(867) 975-5381

Registration Period: 3 months to one year.

Requirements

- Proof of ownership, financial responsibility, and insurance.

Trip permits: Not issued; full registration required.

IRP

Nunavut is not part of IRP.

FUEL TAX

Petroleum Products Division
Department of Public Works and Services
Iqaluit, Nunavut X0A OHO
(867) 645-5165

Rate: Tax is levied at the fuel pump; due to treaties, Inuit-owned businesses are eligible for a refund of most of their fuel costs.

MOTOR VEHICLE INSURANCE

HARMONIZATION EFFORTS FOR THE PROVISION OF COMMERCIAL INSURANCE FOR NAFTA CROSS-BORDER TRUCKING

Under the North American Free Trade Agreement (NAFTA), a free trade area has been established between Canada, United States and Mexico for the trade in goods, services and investment. NAFTA provides for parties to engage in consultations to discuss implementation and further liberalization of land transport and insurance provisions.

It has been recognized that the lack of standardized commercial insurance regimes across parties has been a barrier to free trade and restricted the free flow of commercial traffic across the borders.

A trilateral working group comprised of insurance associations, regulators and transport officials, was established to identify insurance issues for cross-border trucking. Following the February 2001 NAFTA Panel ruling on the U.S.-Mexico border dispute and the Bush Administration's commitment to open the southern U.S. border to Mexican trucks, a trilateral discussion on the harmonization of cross-border trucking insurance regimen was revitalized. The NAFTA tri-national Insurance Working Group, operating under the Financial Services Committee, is once again meeting to discuss feasible options and a path towards insurance compatibility. Both short and long term objectives and options are being reviewed, with the ultimate objective identified as being mutual recognition; one insurance policy recognized by authorities in all three countries.

In this context, one option for the provision of cross-border trucking insurance that will be reviewed and considered is the Canadian Power of Attorney and Undertaking (PAU) system.

Typically, Canadian and U.S. insurance companies can enter into business arrangements for the provision of seamless insurance coverage for commercial vehicles operating across the border. The Canadian PAU system, which responded to a need for a common proof of insurance coverage for the many U.S. drivers entering Canada, denotes compliance with minimum insurance coverage requirements. U.S. insurers may file a PAU with the Canadian Council of Insurance Regulators (CCIR) and then can issue a "yellow card" to U.S. carriers as valid proof of insurance throughout Canada. However, due to varying provincial motor carrier licensing requirements it is common for U.S. insurers to enter into a "fronting" arrangement with a Canadian insurer, whereby the U.S. insurer does the underwriting on the U.S. truck and issues the policy in the Canadian insurer's name, and the Canadian insurer "reinsures" the risk back to the U.S. insurer.

The provision of commercial insurance coverage for southbound Canadian carriers operating in the U.S. is somewhat similar. To gain entry into the U.S., a Canadian trucker must file certificates of financial responsibility and have proof of insurance. A

Canadian insurer enters into an arrangement with an American insurer under which the U.S. insurer does the necessary filings for the Canadian carrier and provides proof of insurance and the U.S. insurer "reinsures" the risk back to the Canadian insurer.

The onus is on the carrier to ensure that provincial and state insurance requirements are fully understood and complied with.

The near-mutual recognition by Canada and the U.S. of each other's insurance policies has been effective due to similarities in the insurance, regulatory and legal environments in the two countries.

Most goods currently shipped from Mexico into the U.S. are protected by trip insurance; however, continuous insurance is expected to become the norm once the southern border opens up.

As in the U.S., Mexico's federal government, in cooperation with state governments, sets the minimum insurance requirements for motor carriers. Under NAFTA, foreign insurance companies can now operate subsidiaries in Mexico to provide (limited) insurance services. There are no more restrictions on foreign ownership of Mexican-based insurance companies. However, Mexico still maintains its NAFTA reservation on the provision of third party liability coverage within Mexico; it can only be provided by Mexican-domiciled and registered insurers. Texas insurance law maintains the same third party liability restriction on the provision of insurance to Mexican carriers.

Recognizing that true insurance mutual recognition would require at least two national governments to change existing insurance regulations, this is likely more of a long-term objective. A number of more feasible, short-term alternatives under existing laws and insurance regulations are being discussed by the NAFTA Trilateral Insurance Working Group:

1. Brokered Arrangements - Managing General Agents (MGAs) are well established at southern border locations and represent both American and Mexican insurance companies selling coverage to cross-border traffic. The system works fairly well, but requires two separate (back-to-back) policies. MGAs typically arrange advance coverage for carriers for cross-border movement in 12-month intervals.
2. Joint Ventures - Seen as an outgrowth of brokered arrangements, these are contractual arrangements between insurers to combine coverages and provide seamless insurance (one company "fronts", or issue policies on behalf of the other company).
3. Multinational Insurance Companies - As large multinationals (i.e. Zurich Insurance) can now own 100% of a Mexican-based subsidiary, they are well positioned to provide coverage in more than one country and work with domiciled insurers to accommodate domestic insurance regulations (i.e. Mexico's third-party liability reservation).
4. Fronting Arrangements - An arrangement whereby a domestic insurer takes on the risk of a foreign insurance company and issues a policy on behalf of the foreign

insurer. This system is very common, where Canadian insurers enter into business arrangements (or joint ventures) with US companies that front coverage to southbound Canadian carriers. The US company issues an insurance certificate for the Canadian carrier but doesn't necessarily want to underwrite the risk, so "re-insures", or transfers the risk back to the Canadian insurer.

5. Canadian Power of Attorney and Undertaking (PAU) – This system, or a system similar to it, as described earlier, is being considered for broader application, encompassing the U.S.-Mexico border.

International Fuel Tax Agreement (IFTA)

The IFTA is an agreement among jurisdictions in Canada and the United States for the uniform collection and distribution of fuel use tax revenues. It simplifies the administration, reporting and compliance by inter-jurisdictional carriers with respect to fuel tax requirements. As most jurisdictions in Canada and the U.S. collect taxes on gasoline and diesel fuel, the IFTA assures that motor carriers pay their share of fuel taxes. Under the IFTA, motor carriers register in the jurisdiction where they have an established place of business and the annual fuel taxes owed are apportioned among the IFTA-member jurisdictions in which the carriers travels. Motor carriers deal with a single jurisdiction for fuel tax licensing and reporting.

The International Fuel Tax Association, Inc., is the operational entity for the IFTA.

For further information about IFTA, please visit the website for the International Fuel Tax Association, Inc., www.iftach.org, or refer to Section 3.

IFTA phone number per province or territories

Province	Phone Number
Alberta	(780) 427-3044
British Columbia	(250) 387-0635
Manitoba	(204) 945-5603
New Brunswick	(506) 453-2408
Newfoundland and Labrador	(709) 729-6297
Northwest Territories	(867) 873-7296
Nova Scotia	(902) 424-2850
Nunavut	(867) 645-5165
Ontario	(905) 433-6389 or (905) 433-6412
Prince Edward Island	(902) 368-4070
Quebec	(418) 659-4692
Saskatchewan	(306) 787-7749
Yukon	(403) 667-5345

International Registration Plan (IRP)

Under the provisions of the IRP, a motor carrier registers in a single jurisdiction (base state or province) and can operate on an interjurisdictional basis in other IRP member jurisdictions. The carrier must declare all member jurisdictions in which it will operate, which will be displayed on the cab card, plus the actual or estimated mileage of such operations in each jurisdiction. The registration fees paid by the carrier are divided, or "apportioned", amongst the IRP jurisdictions in which the carrier will operate, based on a mileage calculation. A carrier's "fleet vehicle" is known as an apportionable vehicle and, so far as registration is concerned, may be operated both interjurisdictionally and

intrajurisdictionally. Fifty U.S. States and all Canadian provinces, excluding the three Territories, are part of the IRP.

The International Registration Plan, Inc., is the operational entity for the IRP.

For further information about IRP, please visit the website of the International Registration Plan, Inc., at www.aamva.org/IRP/index.asp, or refer to Section 3.

IRP phone number per province or territories

Province	Phone Number
Alberta	(403) 340-5430
British Columbia	(604) 443-4450
Manitoba	(204) 945-8915
New Brunswick	(506) 453-2215
Newfoundland and Labrador	(709) 729-3678
Northwest Territories	Not member of IRP
Nova Scotia	(902) 424-7700 or (902) 424-5536
Nunavut	Not member of IRP
Ontario	(905) 704-2500
Prince Edward Island	(902) 368-5202
Quebec	(418) 528-4518 or (418) 528-4522
Saskatchewan	(306) 751-1251
Yukon	Not member of IRP

Mexico vis-a-vis IRP and IFTA

In 2001, the United States Department of Transportation (DOT), in cooperation with the U.S. National Governors Association, established a task force to develop a plan for working with Mexico on IRP and IFTA-related matters. Under the auspices of the Base State Working Group (BSWG) on Motor Carrier Programs, representatives from the U.S., Mexico and Canada are examining short and long-term options for reciprocal recognition of credentials and registration for commercial motor carriers operating to and from Mexico.

Drawing on the operational experience and best practices of the IRP and IFTA programs in the U.S. and Canada, workable options and alternatives for NAFTA motor carrier registration and fuel taxes are under consideration. Part of this work includes a review of the governmental structures in Mexico for operating authority, motor carrier registration, and fuel taxation and a comparison of the Mexican structure to U.S. and Canadian operations under the International Registration Plan and the International Fuel Tax Agreement.

Weight and Dimension Standards For Commercial Vehicles in Canadian Jurisdictions

In Canada the ten provinces and two territories have authority for establishing weight and dimension limits on all roads within their jurisdiction (except federally owned roads in national parks, national defense installations etc).

Under the umbrella of a national agreement (Memorandum of Understanding or MOU), all provinces have agreed to accept vehicles which comply with a set of national weight and dimension standards for travel on a system of provincial highways designated by each province. In some cases these limits are lower than provincial standards, and in these cases provinces have generally retained the higher limits in regulation.

The provincial and territorial governments also have authority for issuing special permits for oversize and/or overweight loads, movement of selected commodities and other permit provisions which depart from normally regulated limits.

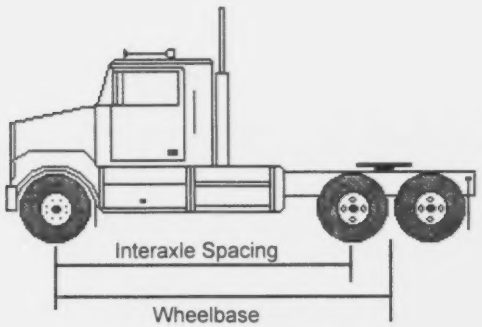
As each province and territory sets and enforces the weight and dimension standards that apply within its boundaries, carriers are advised to consult each province/territory with any questions on acceptable weight and dimension limits, especially with respect to special vehicle configurations.

A summary of the key elements of the MOU standards, and a comparison of the corresponding individual provincial or territorial standards, are shown in the attached tables. More detailed information on the MOU standards can be found on the internet at www.comt.ca under the Task Force on Vehicle Weights and Dimensions Policy. In addition, information on provincial weight and dimension regulations can also be found on the internet at:

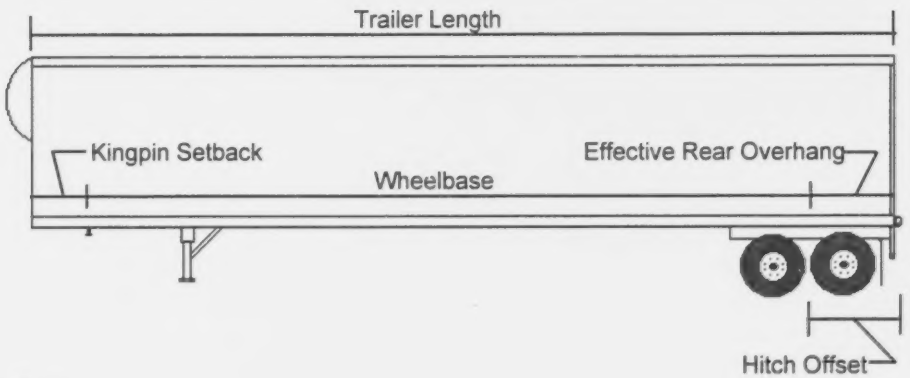
Newfoundland & Labrador:	www.gov.nf.ca/hoa/regulations/rc010031.htm
Prince Edward Island:	www.gov.pe.ca/royalgazette/pdf/20020119.pdf
Nova Scotia:	www.gov.ns.ca/just/regulations/regs/rxam-z.htm#mvwd
New Brunswick:	www.gnb.ca/justice/regs/2001-67.htm
Québec:	www.mtq.gouv.qc.ca/marchandises/camionnage/charges/index_en.htm
Ontario:	www.mto.gov.ca/english/trucks
Manitoba:	www.gov.mb.ca/tgs/transreg/compreg/wdcompguide.html
Saskatchewan:	www.qp.gov.sk.ca/publications/index.cfm?fuseaction=details&c=239&id=2
Alberta:	www.tu.gov.ab.ca/Content/doctype281/production/teg001.htm
British Columbia	www.qp.gov.bc.ca/statreg/reg/C/CommerTrans/30_78/30_78.htm

Terminology

Tractors



Trailers



Combinations

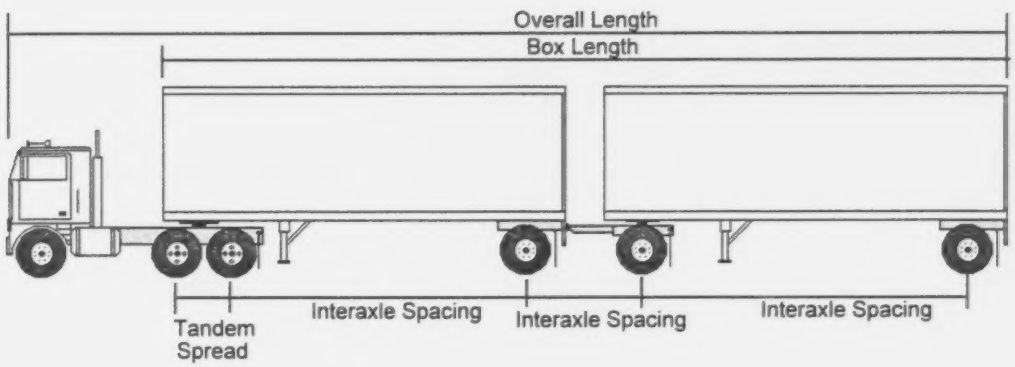


Table 1: Summary of Provincial/Territorial Dimension Limits

DIMENSION LIMITS (metres)

	MOU	BC	ALTA	SASK	MAN	ONT[1]	ONT[2]	QUE	NB	NS	PEI	NFLD	Yukon	NWT
Overall Height	4.15	*	*	*	*	*	*	*	*	*	*	*	4.2	4.2
Overall Width	2.6	*	*	*	*	*	*	*	*	*	*	*	*	*
Overall Length														
Straight Truck	12.5	*	*	*	*	*	NA	*	*	*	*	*	*	*
Truck & Full Trailer	23	*	*	*	*	*	NA	*	*	*	*	*	22	21
Truck & Pony Trailer	23	*	*	*	*	*	NA	*	*	*	*	*	22	21
Tractor Semitrailer	23	*	*	*	*	*	*	*	*	*	*	*	22	25
A Train Double	25	*	*	*	*	23	*	*	*	*	*	*	*	*
B Train Double	25	*	*	*	*	23	*	*	*	*	*	*	*	*
C Train Double	25	*	*	*	*	23	*	*	*	*	*	*	*	*
Trailer Length														
Full Trailer	12.5	*	*	16.2	*	*	NA	14.65	*	*	*	*	13.5	NR
Semitrailer	16.2	*	*	*	*	14.65	*	*	*	*	*	*	13.5	NR
Box Length														
Truck & Full or Pony Trailer	20	*	*	*	*	NR	NA	NR	*	*	*	*	NR	NR
A Train Double	18.5	20.0	20.0	20.0	20.0	*	*	*	20.0	20.0	20.0	20.0	NR	NR
B Train Double	20	*	*	*	*	18.5	*	*	*	*	*	*	NR	NR
C Train Double	20	*	*	*	*	18.5	*	*	*	*	*	*	NR	NR
Effective Rear Overhang														
Straight Truck	4	*	*	*	NR	NR	*	*	*	*	*	*	*	*
Semitrailer	35% of wb	*	*	*	*	NR	*	*	*	*	*	*	*	*
Wheelbase														
Tractor (min)	3	*	*	*	*	NR	*	*	*	*	*	*	*	*
Tractor (max)	6.2	*	*	*	*	NR	*	*	*	*	*	*	NR	*
Full Trailer (min)	6.25	*	*	*	*	NR	NA	NR	*	*	*	*	NR	NR
Semitrailer (max)	12.5	*	*	*	*	NR	*	*	*	*	*	*	NR	NR
Semitrailer (min)	6.25	*	*	*	*	NR	NR	NR	*	*	*	*	NR	NR

Legend: * = Same as MOU NR = Not regulated NA = Not Applicable

[1] Ontario's generally applicable dimension limits

[2] Dimension limits applicable to specific vehicle configurations under Ontario Regulation 32-94

Table 2: Summary of Provincial/Territorial Weight Limits

WEIGHT LIMITS (kilograms)

Gross Vehicle Weight		MOU	BC	ALTA	SASK	MAN	ONT [3]	ONT[4]	QUE	NB	NS	PEI	NFLD	Yukon	NWT
Truck - 3 axles		22,500	26,000	24,300	*	24,300	28,100	NA	25,300	26,000	26,000	26,000	26,000	26,900	*
Tractor Semitrailer	- 3 axles	23,700	*	*	*	*	26,300	26,300	*	*	*	*	*	*	*
	- 4 axles	31,600	32,800	*	*	*	35,800	34,800	*	32,600	32,600	32,600	32,600	*	*
	- 5 axles	39,500	*	*	*	*	44,100	43,100	41,500	41,500	41,500	41,500	41,500	44,000	*
	- 6 axles	46,500	*	*	*	*	50,500	49,500	49,500	49,500	49,500	49,500	49,500	54,000	*
A Train	- 5 axles	39,700	38,000	*	*	*	45,500	41,900	*	41,900	41,900	41,900	41,900	*	37,500
	- 6 axles	47,600	*	*	*	*	54,500	49,800	*	50,800	50,800	50,800	50,800	*	*
	- 7 axles	53,500	*	*	*	*	61,700	*	*	*	*	*	*	61,700	*
	- 8 axles	53,500	*	*	*	*	63,500	*	*	*	*	*	*	63,500	*
B Train	- 6 axles	48,600	*	*	*	*	54,500	NA	*	50,600	50,600	50,600	50,600	*	*
	- 7 axles	56,500	*	*	*	*	61,700	60,300	59,000	59,500	59,500	59,500	59,500	63,500	*
	- 8 axles	62,500	63,500	63,500	*	*	63,500	63,500	*	*	*	*	*	63,500	*
C Train	- 5 axles	41,900	*	*	*	*	45,500	*	*	*	*	*	*	*	40,700
	- 6 axles	49,800	*	*	*	*	54,500	*	*	50,800	50,800	50,800	50,800	*	43,500
	- 7 axles	54,600	*	57,700	*	*	61,700	*	55,500	55,600	55,600	55,600	55,600	61,700	57,200
	- 8 axles	58,500	60,500	60,500	60,500	60,500	63,500	*	*	*	*	*	*	63,500	*
Truck & Pony Trailer	- 6 axles	43,500	47,000	45,300	*	45,300	56,000	NA	49,500	47,000	47,000	47,000	47,000	55,500	46,500
Truck & Full Trailer	- 5 axles	39,500	43,000	42,500	40,700	41,300	47,500	NA	43,500	43,000	43,000	43,000	43,000	43,000	40,700
Truck & Full Trailer	- 7 axles	53,500	57,000	55,300	*	55,300	63,300	NA	55,500	*	*	*	*	63,300	*
Axle loads															
Steering Axle - Tractors		5,500	*	*	*	*	9,000	6,000	*	*	*	*	*	9,000	7,300
Steering Axle - Trucks		7,250	9,100	7,300	*	*	9,000	NA	*	8,000	8,000	8,000	8,000	9,000	7,300
Single Axle - dual tires		9,100	*	*	*	*	10,000	10,000	10,000	*	*	*	*	10,000	*
Tandem - 1.2 m spread		17,000	*	*	*	*	18,000	18,000	18,000	18,000	18,000	18,000	18,000	16,800	*
Tandem - 1.8 m spread		17,000	*	*	*	*	19,100	19,100	18,000	18,000	18,000	18,000	18,000	19,100	*
Tridem - 2.4 m spread		21,000	24,000	*	*	*	21,300	21,300	*	*	*	*	*	21,300	*
Tridem - 3.0 m spread		23,000	24,000	24,000	*	*	*	*	24,000	24,000	24,000	24,000	24,000	22,400	*
Tridem - 3.7 m spread		24,000	*	*	*	*	25,500	25,500	26,000	26,000	26,000	26,000	26,000	24,400	*

Legend: * = Same as MOU NR = Not regulated NA = Not applicable

[3] Ontario's generally applicable weight limits

[4] Weight limits applicable to specific vehicle configurations under Ontario Regulation 32-94

CONTACTS FOR DETAILED INFORMATION ON VEHICLE WEIGHT AND DIMENSION STANDARDS

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QUEBEC

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E-mail: ggilks@highways.gov.sk.ca

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Yukon Dept of Infrastructure
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Fax: (867) 393-6408
E-mail: john.warkentin@gov.yk.ca

Introduction

The provincial and territorial governments, along with the Government of Canada and in consultation with the transportation industry, has adopted a National Safety Code. This code is made up of 16 standards that will assist carriers and drivers to remain in compliance with local, national and international rules for owning and operating commercial vehicles. Uniformity of operations, from a comprehensive safety standpoint, will ensure that the transportation industry, which is a vital component of the Canadian economy, remains as viable and sustainable as possible in both the short and long term.

The National Safety Code includes motor carriers who operate commercial trucks and public service vehicles with a registered gross vehicle weight of 4,500 kilograms or more, and buses over ten passengers, including school buses.

NSC Standard #1 - Single Driver's Licence

Carrier Requirement

- To set up and maintain a system of files on each driver for the purpose of including all of the information that drivers must provide, as listed below.
- To determine on the basis of this information, training and testing, whether or not the driver is and continues to be fit to drive.

Driver Requirement

- Must make a written disclosure to the commercial carrier, of any and all driver's licences held, including the jurisdiction (Province, Territory or State).
- Must provide class of licence, status of licence and the actual name in which each licence is held.
- Permitted to be licenced in one jurisdiction only.
- Must provide a current copy of driving record before being hired, and annually thereafter.
- May authorize employer to obtain copy of driver record.

NSC Standard #2 - Knowledge and Performance Tests

Carrier Requirement

- Should provide drivers and prospective drivers with the necessary training to become qualified to drive and to remain qualified to operate the particular class of vehicle.

Driver Requirement

- Must meet applicable medical, vision, physical ability, knowledge and skill standards through the successful completion of the prescribed tests and examinations prior to operating a commercial vehicle.

NSC Standard #3 - Driver Examiner Training

This standard was primarily for the purpose of establishing and maintaining a consistent class licence testing program in each jurisdiction. The program provides additional acceptance of driver's licences, both nationally and internationally.

NSC Standard #4 - Classified Driver's Licence Program

Carrier Requirement

- Must ensure that drivers hold the appropriate licence to permit operation of the class of vehicles authorized.
- Must have a system to ensure that drivers remain qualified to drive.

Driver Requirement

- Must possess a valid driver's licence of an appropriate class to operate the assigned vehicle, including an air brake endorsement where the vehicle is equipped with air brakes
- Must provide ongoing evidence of a valid licence.

NSC Standard #5 - Self-Certification

This specific program will be of special interest to any carrier with a comprehensive driver training and monitoring program who might wish to become certified to test prospective drivers and to issue driver's licences.

May apply to the provincial or territorial driver licensing agencies for authority to test and certify drivers and to issue an appropriate class of licence, including an air brake endorsement. There is an entry criterion to the program and also stringent monitoring to ensure that each licence issuing authority meets the required minimum uniform approved testing standard.

NSC Standard #6 - Medical Requirements

Carrier Requirement

- To ensure through a monitoring system that drivers comply with filing medical examination reports.
- May impose more frequent medical examination reports if medical condition warrants.

- Should ensure that any driver medically unfit to drive, does not drive.
- Physicians and Optometrists are required to report any driver medical condition that does not meet the medical standards prescribed in regulations or established policy the Registrar.

Driver Requirement

- Must meet minimum medical standards applicable to the class of vehicle operated.
- Must file, with the Division of Driver and Vehicle Licencing Medical Records, a medical report every 10 years for ages 18 to 39 years, every five years for ages 40 to 60 and every two years for ages 61 and over.
- Drivers with any significant medical condition may be required to file a more frequent medical report.

NSC Standard #7 - Carrier Record Keeping Requirement

Carrier Requirement

- To establish and maintain a system of records including as a minimum:

i. information on each driver's licence, driving record, documentation of review of driver fitness, record of training or upgrading;

ii. hours of service for each driver and a system for ensuring that drivers are operating within the hours of service requirements – a record of corrective actions taken in instances where violations are discovered;

iii. a listing of vehicles owned, operated or leased;

iv. inspection, maintenance, and repair reports for each vehicle and a system to ensure that the inspection, maintenance, and repair of vehicles is consistent with Regulations. Listing of actions taken as a result of deficiencies discovered;

v. documentation of completion of applicable manufacturer's recall notices;

vi. bills of lading, record of fuel purchases by vehicle, dispatch records, payroll for each driver and vehicle, vouchers, books of account, insurance, and accident reports;

vii. identification of individual responsible for promoting compliance.

Driver Requirement

- To provide carrier:

i. driver's licence of information;

ii. driving record (abstract);

iii. report of accidents, traffic, criminal and/or dangerous goods of offences;

iv. trip inspection reports;

v. hours of service log book records.

- Must have available, during any work shift:

vi. daily log hours of service (current and previous seven days minimum);

vii. bills of lading, other shipping documents, receipts for expenses, fuel, and accommodation (if applicable);

viii. copy of operating authority (if applicable);

ix. copy of registration and insurance certificates.

NSC Standard #8 - Short-Term Suspensions
This standard outlines some of the conditions that would result in a driver being disallowed from operating a motor vehicle.

NSC Standard #9 - Hours of Service
Carrier and Driver Requirement

- Not to drive or permit driving:

i. more than 13 hours following a minimum of eight consecutive hours off duty; or

ii. after being on duty 15 hours following at least eight consecutive hours off duty; or

iii. after completing 60 hours on duty during a period of seven consecutive days; or

iv. after completing 70 hours on duty during any period of eight consecutive days; or

v. after completing 120 hours on duty during any period of fourteen consecutive days.

Note: A driver shall be off duty for a minimum of 24 consecutive hours prior to completing 75 hours to be eligible for the 120 hours/14 day cycle.
Exception:
A driver may accumulate the eight hours off-duty time resting in a sleeper berth in two separate periods provided that:

a. no period is less than two hours in duration; and

b. the aggregate of the time spent resting in the sleeper berth immediately preceding and immediately following the on duty period is at least eight hours in total; and

c. the aggregate of the time spent driving immediately preceding and immediately following a sleeper berth rest period does not exceed 13 hours in total.

A driver may, once in a period of seven consecutive days, reduce off duty time to four consecutive hours, if the on duty time in the immediate preceding period did not exceed 15 hours, and the difference between eight hours off duty time and the time taken is added to the next eight consecutive hours off duty. This may be disallowed if it is the opinion of a peace officer that the reduction has or is likely to jeopardize the safety or health of the driver, or the safety of a vehicle on the highway.

There are also special provisions for commercial vehicles operating north of the 60th parallel in Yukon and Northwest Territories. These provisions are similar to the rules in place under the U.S. provisions for Alaska.

Applications for Special Permits can also be submitted to the Hours of Service Director in each province or territory.

When a vehicle is being operated within a radius of 160 kilometers of the home terminal, and a work shift does not exceed 15 hours, and the carrier maintains an accurate record of the driver's time on duty, an actual log book is not required. If at any time a driver ceases to meet the exemption requirement, it is mandatory for that driver to enter in a log book, the total hours of an on duty time for each of the seven consecutive days preceding the day on which the driver ceased to be exempt.

Hours of Service log books must contain the following information:

a. a graph using a continuous line set out in a 24-hour grid;

b. the date;

c. driver's name;

d. odometer reading;

e. vehicle licence number;

f. licence number and unit number of any trailer or trailers;

g. name or names of the carrier(s) for whom the driver works during each work day;

h. the signature of the driver;

i. the name of any co-driver legibly printed;

j. the time in the 24-hour period when the driver's on duty time commenced if other than 12 midnight;

k. the address of the chief place of business of the carrier for whom the driver is working;

l. the total distance driven;

m. the total time in each duty status.

A continuous line will record the period of time the driver is off duty in the sleeper berth, driving, or on duty not driving. The log will also show the name of the city, town, or village or location on a highway where each duty status change occurred, stops made (stops in any single location may be aggregated as time at one stop) and at the end of each day the total number of hours in each duty status will be entered and equal 24 hours in total.
Automatic on board recording devices may be used if they meet applicable standards.

NSC Standard #10 - Security of Loads
Carrier Requirement

- Required to ensure that drivers comply with Load Security Regulations.
- Must equip vehicles appropriately to allow load securement.

Driver Requirement

- Required to secure loads and/or inspect loads to ensure that adequate securements are in place.
- Any equipment carried in or on the vehicle must also be secured in accordance with the Regulations.
- Vehicle entry and exits, including emergency exits, must be unobstructed.
- Any property transported must be secured or stored to prevent risk of injury to the driver or any passenger by its falling, displacement or other movement.

NSC Standard #11 - Commercial Vehicle Maintenance
Carrier Requirement

- To ensure that all vehicles in its care meet the maintenance and performance standards as described in the Regulations.
- Required to have a system of maintenance records that would cause inspection, maintenance and repair functions at regularly scheduled intervals.

Driver Requirement

- Must perform inspections and complete written reports in compliance with Regulations.

NSC Standard #12 - Commercial Vehicle Safety Alliance Roadside Inspections

A commercial vehicle may be, at any time, subjected to a roadside inspection. A peace officer or a vehicle standards officer may make the following checks:

Inspection of Documents

i. driver licence;

ii. hours of service log(s);

iii. trip inspection report(s);

iv. dangerous goods training certificate if applicable;

v. operating authority;

vi. vehicle registration and insurance.

Inspection of Vehicles

i. brake system;

ii. coupling system;

iii. exhaust system;

iv. fuel system;

v. lighting devices;

vi. safe loading;

vii. steering mechanism;

viii. suspension;

ix. frame;

x. tires;

xi. wheels and rims;

xii. windshield;

xiii. windshield wipers.

Where the officer determines that any component(s) are out of compliance with the commercial vehicle maintenance standard, it may be placed out of service, or subjected to fines, penalties or operational restrictions.

NSC Standard #13 - Daily Trip Inspection Report

Carrier Requirement

- To provide instruction to the driver on how to conduct a daily trip inspection and how to make an inspection report.
- To ensure the vehicle is free from safety defects when operated on a highway.
- To provide repairs for any valid safety defects identified on a trip inspection report before the vehicle is operated on a highway. (If the driver errors in identifying a safety defect on the inspection report, the carrier or its agent may note that the item was not defective on the report).
- To require repairs to be noted on the trip inspection report and signed by the person conducting the repairs.
- To enforce the trip inspection requirements for drivers and vehicles in their control.
- To retain the trip inspection report for a minimum three-month period.
- To ensure that proper records of repairs to correct defects noted on the inspection report are made and kept.

Driver Requirement

- To perform the inspection on a daily basis, prior to commencing a trip and at the end of each day. (If the trip is more than one day, the inspection must be done at the first rest stop on the following and any subsequent days).
- To record any defects discovered prior to the trip, while the vehicle is being operated, and at the end of the trip.
- To notify the carrier if any defect poses an unreasonable risk. (Carriers and drivers are advised to use the Vehicle Inspection Handbook as a guide to determine unreasonable risk).

NSC Standard #14 – Compliance Reviews

A compliance review will be administered by the base jurisdiction to every new carrier upon application for entry and a fitness rating will be given.

Minimum entrance requirement will be compliance with the National Safety Code. Satisfactory proof of valid and subsisting insurance is part of the fitness test.

A compliance review may also be administered for any carrier on a random basis or in the event that carrier performance is determined to be below standard through a Carrier Profile System.

NSC Standard #15 - Facility Audits

A number of commercial carriers may be subject to a facility audit on an annual basis. The target group will be selected using Failure Analysis Methodology:

- Carrier performance showing a higher than normal incidence of violations of related laws (Carrier Profile).

The profile will be developed from records detailing lack of compliance with any component of the National Safety Code and with any other applicable Provincial, National or International law. The facility audit will be performed at the chief place of business of the commercial carrier in the Province of Manitoba.

NSC Standard #16 - First Aid Training

This standard outlines the contents of a first aid course which is recommended for commercial vehicle drivers.

Carrier Profiles

Provincial and territorial governments are responsible for the establishment of Motor Carrier Profiles under the National Safety Code and the federal Extra-Provincial Truck Undertaking Licencing Regulations; *Motor Vehicle Transport Act* 1987 (MVTA).

Each jurisdiction in Canada is required under National Safety Code (NSC) Standard #7 to develop and maintain a Carrier Profile System (CPS) to record all convictions, results of on-road inspections, and reportable accidents. The Carrier Profile System is a computer database program that contains the on-road activities of all NSC motor carriers base-plated within the province or territory. Motor carrier accidents, convictions, CVSA inspections, and facility audit results are collected and retained in the Carrier Profile System. NSC points are assigned for each infraction and are recorded on the Carrier Profile.

From the CPS database, individual Carrier Profiles are generated based on a Motor Carrier (NSC) number. The Carrier Profile summarizes all incidents relating to the specific Motor Carrier.

Components Of The Carrier Profile

Carrier Profiles capture a motor carrier's previous two-year record for:

At Fault Accidents

At fault accidents are accidents with damage over $1000 or causing injury, involving a public service vehicle or a commercial truck having a gross registered

weight of 4,500 kilograms or more operated by the motor carrier, in which the driver was at fault.

Convictions

Convictions (not charges) against the motor carrier and the drivers of the motor carrier incurred on Manitoba base plated vehicle and trailers registered against the motor carrier, will be recorded on the Carrier Profile.

CVSA Inspections

All CVSA inspections of public service vehicles and commercial trucks having a gross vehicle weight of 4,500 kilograms or more, which were conducted on base plated vehicles and trailers, will be recorded on the Carrier Profile.

Facility Audits

A Facility Audit examines a motor carrier's safety records in the following three areas and the results of the Facility Audit are included in the Carrier Profile. More detailed descriptions of the components covered in the Facility Audit are included in a section dedicated to Facility Audits.

- *Driver Profile* - driver abstracts, licence disclosure, records of accidents and convictions, annual driver review and evidence of corrective action taken.
- *Driver Hours of Service* – daily logs or time records, supporting documents including, but not limited to, fuel bills, toll receipts, accommodation receipts and payroll records.
- *Vehicle Maintenance* - valid Periodic Mandatory Vehicle Inspection (PMVI) certificates, records of CVSA inspections and follow up, pre-trip inspection reports and follow up, records of defect repairs and records of the preventative maintenance program.

Motor Carrier Performance Ratings

Motor Carrier Performance Ratings are based on the motor carriers two year record for at-fault accidents, convictions, CVSA inspections and a combination of all three. A carrier's performance is measured by comparing the on road activities of carriers of the same fleet size. A carrier's performance is displayed as a percentage (%) of maximum NSC points.

Carrier Infraction Pointing

An example of the typical pointing of incidents recorded on a motor carrier's profile would be assessed as follows:

At Fault Accidents:
2 Points - Property Damage
4 Points - Injury
6 Points – Fatality
Convictions: Canadian Council of Motor Transport Administrators (CCMTA) Equivalency. Some examples of NSC points for convictions are:

Type of Conviction	Number of Points
Failure to affix a slow speed sign	2 Points
Failure to maintain and update daily log	2 Points
Dangerous driving	5 Points
Seatbelt violation	2 Points
Passing in a no passing zone	3 Points

CVSA Inspection:
0 Point - Pass
1 Point - Fail
3 Points - Out of Service

Intervention Levels
As part of a progressive intervention process, intervention by provincial or territorial officials occurs at the following levels.
0-40% Acceptable. No action required.
41-64% Intervention Level 1. First performance review letter sent.
65-84% Intervention Level 2. Second performance review letter sent.
85-99% Intervention Level 3. Facility audit, safety plan interview and monitoring.
100%+ Administrative Intervention. Revocation of safety certificate, revocation of vehicle registration, and/or fleet limitation.

Carrier Safety Rating
Provincial or territorial governments are responsible for the establishment of Motor Carrier Safety Ratings under the Nationals Safety Code and the *Motor Vehicle Transport Act* (MVTA).

Every Province or Territory has made a commitment to apply safety ratings to all motor carriers operating a public service vehicle or a commercial vehicle having a registered gross weight of 4,500 kilograms or more and buses over 10 passenger including school buses.

Safety Rating Categories

There are 4 Safety Rating Categories:

Satisfactory Unaudited

Assigned to all new Commercial Motor Carriers.

Assigned when a motor carrier has not had a Facility Audit. A carrier may exist in this category indefinitely.

Satisfactory

Assigned when a motor has successfully "passed" a Facility Audit.

Conditional

Assigned when a motor carrier has "failed" a Facility Audit.

Unsatisfactory

Assigned when a motor carrier's performance has deteriorated to such a degree that Manitoba Transportation and Government Services, Transportation Safety and Regulation Branch deems the Motor Carrier unfit. A carrier rated as unsatisfactory in Manitoba will no longer be able to operate motor vehicles.

Background

Provincial and territorial governments are responsible for conducting Facility Audits on both Intra-Provincial and Extra-Provincial carriers.

The objective of a Facility Audit is to promote safe motor carrier operations through compliance with highway safety acts and regulations made under the *Motor Vehicle Transport Act* (MVTA), 1987 and the National Safety Code.

An auditor will review the carrier's operational records and assess compliance in the areas of Driver Profile, Provincial and Federal Hours of Service Regulations, Vehicle Maintenance and Transportation of Dangerous Goods. These components will be discussed in more detail in following sections.

The facility audit program monitors the compliance of motor carriers through the examination of a carrier's records primarily at the carrier's chief place of business in within a province or territory. Carriers operating vehicles base plated in another jurisdiction, fall under the facility audit mandate of that jurisdiction. Auditors in one jurisdiction may become involved in the facility audit process at the request of another base plate jurisdiction.

Selection Of Carriers For An Audit

A facility audit can be initiated for-cause based on information on the carrier's profile. In addition, substantiated complaints or concerns received from the general public, policing agencies and the transportation industry may result in a facility audit or investigation being conducted. Investigations may also be initiated for instances such as a wheel-off occurrence, an accident involving a commercial vehicle, complaints regarding a commercial carrier's operations, misuse of operating authorities and the coercing of drivers to drive in excess of the prescribed Hours of Service Regulations.

Should it be determined that a facility audit is required, the carrier will be notified of the requirement in sufficient time to gather and organize the requested records for presentation. The verbal notification usually takes place five to ten working days prior to the commencement of a facility audit and is followed by a written confirmation outlining the required records. The legislation requires that carrier records be available for inspection at any reasonable time. When there is a requirement to reschedule a facility audit due to unforeseen circumstances, the auditor and carrier will mutually agree on a new audit date. In situations where an immediate safety concern has been id .ied, the auditor may enter the carrier's chief place of business without prior notification and place a demand upon the carrier to present records for examination. The auditor will provide proof of identification upon first contact with the carrier. An audit may, on occasion, be conducted at government offices due to extenuating circumstances such as the carrier's location, a carrier having demonstrated inappropriate behavior or the lack of space to accommodate an auditor or audit team. The carrier will be provided with a receipt for those records that are removed from the carrier's place of business.

Conducting The Facility Audit

Functioning as a Peace Officer, Federal Hours of Service Inspector and certified Commercial Vehicle Safety Alliance Inspector, auditors conduct detailed facility audits of commercial motor carrier records. Under the Powers of Investigation, the audit includes but is not restricted to the examination of corporate files, insurance files, driver files, Hours of Service Records, Commercial Vehicle Safety Alliance Inspection Reports, Periodic Mandatory Vehicle Inspection Reports, documented Disciplinary action, vehicle maintenance records, relevant payroll records, dangerous goods control, and an overall evaluation of management practices related to safety programs.

A Facility Audit or investigation may be conducted by a single auditor or on a team auditor basis, dependent on the size and extent of the requirement. In each case the carrier is requested to provide a suitable working location at the chief place of business. Facility Auditors are highly trained professionals who have extensive knowledge of commercial carrier operations and legislative requirements.

The time to complete a Facility Audit will vary due to the number of records selected for audit, which is determined by the carrier's fleet size. The statistically valid sampling of records will cover a two-month period, which will be identified to the carrier. Where violations are identified, the pertinent documents will be copied and used as evidence before a regulatory board or in any prosecution before the courts. Where non-compliance is identified, the auditor(s) will make formal recommendation for enforcement action to the Safety Fitness Director. The carrier is extended due process and may appeal the audit recommendation.

Facility Audit Follow-up

Following completion of the audit, the carrier will be provided with a copy of the Summary of Violation, indicating violations to the Acts and Regulations detected during the coarse of the audit. Records, which had initially been removed to conduct the audit, would be returned. The carrier is required to attend a carrier interview at to review the audit findings and at that time,

will be provided the opportunity to present additional evidence, refute the findings, comment or give explanation. The interview will conclude with the auditor advising the carrier of the agency's recommendation(s) to dispense with the audit findings. The agency may recommend any one or combination of the following options:

- No action as the carrier has demonstrated acceptable compliance.
- The carrier develops a comprehensive and acceptable Safety Plan.
- The carrier engages a third party auditor to conduct facility audits based on a schedule determined by the agency. The costs incurred to engage a third party audit are the responsibility of the carrier. The failure of a carrier to demonstrate an acceptable level of compliance, within a satisfactory time frame, will constitute further action by the regulatory agency.
- Refuse to register any truck, or combination of vehicles, of a registered gross vehicle weight of 4,500 kilograms or greater, in the name of the carrier.
- Recommend the cancellation of the carrier's operating authority.
- Declare the carrier as unsatisfactory, resulting in the cancellation of the carrier's authority to operate.
- Prior to cancellation of the carrier's authority, the carrier would be provided the opportunity to appeal the unsatisfactory rating at a show-cause hearing. A carrier seeking re-entry following cancellation or suspension of the authority to operate shall be rated Conditional upon re-entry with no predetermined time limit.

Facility audit information is quantified and becomes an integral part of determining a carrier's safety rating. It is therefore essential that a carrier demonstrate a high level of compliance to ensure an acceptable safety rating is maintained. Failure to do so, may ultimately lead to a carrier not being permitted to operate as a motor carrier on Canadian highways.

Driver Qualification File

Carrier Requirement

The carrier is required to set up and maintain a system of files on each driver for the purpose of including driver licence disclosures, accident and violation disclosures, driver record (abstract), annual review of driver fitness, corrective disciplinary action, and certificates of dangerous goods training. The carrier is also required to determine on the basis of this information, training and testing, whether or not the driver is and continues to be fit to drive.

Recommendation

It is recommended that the carrier set up an individual driver qualification file for each driver. A checklist of required and recommended documentation could be attached to the cover of each file to assist the carrier in maintaining an up to date file.

Single Driver Licence Disclosure

Driver Requirement

A driver is not allowed to hold at any time, more than one valid and subsisting driver's licence issued by a competent authority in any jurisdiction. Prior to being first engaged by the motor carrier to drive a public service vehicle or a commercial truck having a gross vehicle weight of 4,500 kg or more, the driver must disclose to the motor carrier the name of each province or territory in Canada or state, district or territory of the United States of America in which the driver is licenced, and the class of licence held, whether or not that licence has been suspended, and the name in which each driver's licence is issued. The driver must also disclose, without delay, any suspensions, cancellation, prohibition or change in classification of his driver licence.

Carrier Requirement

The carrier must make record of the driver's disclosure in the driver qualification file.

Recommendation

Provincial and territorial governments have accepted for the purpose of the single driver licence disclosure, a photocopy of the driver's valid driver licence. The driver on renewal of his licence has to make the declaration that he/she has no other driver licence from any other jurisdiction.

Disclosure Of Accidents

Driver Requirement

A driver engaged by a motor carrier to drive a public service vehicle or a commercial truck having a registered gross weight of 4,500 kg or more shall without delay disclose in writing to the carrier particulars of traffic accidents required to be reported under this Act.

Carrier Requirement

The carrier must make record of the driver's disclosure in the driver qualification file.

Recommendation

The accidents required to be reported include all motor vehicle accidents in which the driver has been found to be partially or totally at fault. These include accidents that occur in private vehicles as well as the carrier's vehicles.

Disclosure Of Violations

Driver Requirement

A driver engaged by a motor carrier to drive a public service vehicle or a commercial truck having a registered gross weight of 4,500 kg or more shall without delay disclose in writing to the carrier convictions arising from the operation or having care and control of a motor vehicle.

Carrier Requirement

The carrier must make record of the driver's disclosure in the driver qualification file.

Recommendation

The violations required to be reported include all moving violations in which the driver has been convicted. These include offences that occur in private vehicles as well as the carrier's vehicles.

Driver Record (Abstract)

Driver Requirement

The driver will be required by the carrier to provide a current driver abstract or, if the carrier wishes, sign a waiver allowing the carrier to request an abstract from the Driver & Vehicle Licencing on the driver's behalf.

Carrier Requirement

Prior to engaging a person to operate a public service vehicle or a commercial truck having a registered gross vehicle weight of 4,500 kg or more, and annually not later than 60 days after the last day of the month in which the driver's birthday occurs, the motor carrier shall obtain a driving record of the driver from the appropriate jurisdictional authority.

Recommendation

The Transportation Safety Investigation team has allowed motor carriers, on an annual basis, to obtain driver records for all drivers at the same time.

The carrier can use a Driver Record Inquiry Form to have the drivers authorize them to obtain driver abstracts on their behalf.

Annual Review Of Driver Fitness

Carrier Requirement

Prior to engaging a person to operate a public service vehicle or a commercial truck having a registered gross weight of 4,500 kg or more, and annually thereafter the motor carrier shall review the driving record and determine whether or not the driver is fit to be

engaged as a driver. The carrier shall make record of the review in the driver qualification file.

Recommendation

The review can range in scope from a formal employee appraisal interview to a dated and signed statement on the bottom of the driver record (abstract). The review must include the date, a statement that the carrier has made the decision that the driver is fit to continue as a driver for the company, and the signature of the person who represented the carrier in making the decision.

Progressive Discipline Policy

Recommendation

In order to demonstrate due diligence, the carrier should establish a program of progressive discipline for company personnel who violate hours of service and other regulations. The program must be consistent with applicable federal and provincial legislation. The carrier should outline the policy and the procedure of discipline, listing the stages up to and including termination. (i.e.: A four-step policy could include, a verbal warning, written warning, suspension, and termination.) The carrier should ensure that: each step of the policy is known by the employees, as each step of the policy is enforced the employee is notified in writing of the next step if the violation re-occurs, and that the policy is enforced in a consistent manner.

Certificate Of Dangerous Goods Training

Driver Requirement

Every driver who transports dangerous goods must be able to produce a valid certificate of training in the handling of dangerous goods issued by the carrier. In Canada, the certificate of training is valid for three years.

Note: In the U.S. the certificate of training is valid for two years.

Carrier Requirement

Every employer, who issues a certificate of training to a trained person, shall retain a copy of the certificate of training for a period of two years, from the date of the expiration of the certificate.

Recommended Additional Documentation

In addition to the required documentation outlined above, the Transportation Safety Investigation team recommends that the carrier does include the following information in the driver qualification files.

Application for employment

Reference Check

Written Test

Road Test

The carrier may also wish to consider medical and alcohol and drug testing records.

The Federal and Provincial Hours of Service Regulations apply to motor carriers, the drivers of public service vehicles and commercial trucks having a registered gross vehicle weight of 4,500 kg or more, and regulated school buses, but do not apply to:

- The transportation of primary products of a farm, forest, sea or lake if driver is employed by the producer; or on the return trip, empty or transporting products used in the principal operation.
- An emergency vehicle
- A vehicle transporting people or goods to provide disaster relief
- A recreational vehicle or vehicle used to transport goods for personal use
- An urban bus transit service
- Any vehicle granted an exemption by the Director

The Provincial Hours of Service Regulation additionally exempts:

- Any vehicle used solely for the purpose of snow removal by or on behalf of a traffic authority
- A commercial vehicle having a registered gross weight of less than 11,794 kg that is operated in the course of maintaining or making repairs to property of any kind, or another service related trade.

The Federal Hours of Service Regulation applies to any motor carrier that has one or more units that cross a provincial or international border. Carriers that operate solely within Manitoba (intra-provincially) fall under the Provincial Hours of Service Regulation. The Provinces, through an agreement with the Federal government, enforce both the Federal and Provincial Hours of Service Regulations.

Driving Limitations

The 13-Hour Drive Time Rule

No carrier shall request, permit or require a driver to drive, and no driver shall drive a commercial vehicle after that driver has accumulated more than 13 hours of driving time following at least eight consecutive hours of off-duty time. After 13 hours of driving, a driver must take eight consecutive hours off-duty in order to be eligible to drive again.

Note:

- In the USA, the maximum hours drive time available before being required to take eight consecutive hours off is 10.

- In accordance with the regulations, an inspector can put a driver out of service if he appears to be in a fatigued state.

The 15-Hour On-duty Rule

No carrier shall request, permit or require a driver to drive, and no driver shall drive a commercial vehicle after that driver has accumulated more than 15 hours on-duty following at least eight consecutive hours of off-duty time. The 15 hours of on-duty time may be comprised of driving time and on-duty time not driving, with the driver driving no more than 13 hours within that period. A driver, having accumulated a maximum of 15 hours of on-duty time, may not drive a commercial vehicle until the driver has taken at least eight consecutive hours of off-duty time. Following this rest period, the driver may once again drive a commercial vehicle.

Note:

- Legislation does permit a driver to exceed the prescribed driving time and on-duty time in an emergency condition, which would threaten the safety of the commercial vehicle, the occupants of the vehicle or cargo. A driver may also exceed the prescribed driving time by no more than two hours in situations where adverse weather conditions would delay a trip.

Required Rest

The driver is required to have eight consecutive hours of off-duty time after 13 hours driving or 15 hours of on-duty time before he becomes eligible to drive a commercial vehicle again. The eight consecutive hours may be a combination of off-duty and sleeper berth time. A driver may also take the required eight consecutive hours rest in the sleeper birth or split the sleeper birth time into two periods. A reduced rest provision is available once in a seven day period.

Sleeper Berth Exception:

If the vehicle has a sleeper berth, the driver may accumulate the eight hours rest in two periods of time in the sleeper berth providing:

- Neither period is less than two hours.

- The total time spent in the sleeper berth immediately preceeding and following the drive time is at least eight hours.

- The total drive time before and after each rest period does not exceed 13 hours.

Reduced Rest Provision:

A driver may once in seven days reduce the required eight hours rest to not less than four hours rest if:

- Preceding the reduced rest, the driver has not been on-duty more than 15 hours

- The difference between the required eight hours and the reduced number of hours taken off is added to the next eight consecutive hours of rest.

Note:

- The reduced rest provision is not available to a driver who is in violation of any driving or on-duty limits until the driver has taken a minimum of eight consecutive hours off-duty.
- Bus seating is not defined as a sleeper berth.
- A driver can not log sleeper berth time using the driver or passenger seat area. It must be in the sleeper berth itself. A sleeper berth must be designed, constructed, and maintained in accordance with good industry practices.
- Sleeper berth time and off-duty time can be combined to obtain the required eight hours rest if the eight hours is consecutive.

Driving Cycles

To address the cumulative effect of fatigue, the hours of service regulations include maximum accumulated on-duty time for each cycle. The allowable cycles in Canada are:

- 60 hours on-duty in seven days, or
- 70 hours on-duty in eight days, or
- 120 hours on-duty in 14 days providing that the driver takes 24 consecutive hours of off-duty time before accumulating 75 hours of drive time.

The cycle hours are calculated by adding the on-duty hours of the current day to the on-duty hours of previous seven, eight or 14 days and subtracting the on-duty hours of the oldest day of the cycle. There is no reset as the cycle continually slides, adding the current day and subtracting the oldest day of the cycle. The driver may choose any cycle, with the option of moving from cycle to cycle. The driver is only in violation when driving in excess of all three cycles simultaneously.

Note:

- Drivers do not have to declare which cycle they are using. They must be in compliance with at least one cycle. There is no procedure to follow when switching from one cycle to another.
- Cycle hours are calculated using days beginning and ending at midnight.
- The USA does not recognize 14 day cycles.

Permit Extending Driving Time and On-duty Time

The Director, Transportation Safety and Regulation, may, by permit, authorize a motor carrier to increase the driving time and/or on-duty time available to a driver. The motor carrier, having chosen to file for an hours of service permit, is

required to develop a comprehensive business case proposal for submission to the Director. The Director will assess the applicant's proposal as it relates to the possibility of compromising safety. If approved, a permit is issued for a period of not more than one year. A breach of permit may result in cancellation of the permit upon two days' notice to the motor carrier.

Winter Roads Permit

Winter roads permits are issued based on the low volume of traffic on the winter roads system, the lack of adequate safe rest areas, the risk of inclement weather conditions, and the urgency of re-supplying isolated northern communities. In consideration of these unique conditions, winter roads permits are issued to commercial carriers to extend the driving time a commercial driver may drive while operating on the winter road system.

The permit allows a driver to drive in excess of the 13 hours driving and the 15 hours on-duty limitations while on the winter road system and to reach the driver's home terminal or safe place to rest within four hours after leaving the winter road system.

Additionally the driver after eight hours rest, may exceed the cycle limits (60 hours in seven days, 70 hours in eight days, or 120 hours in 14 days) when in transit to or from the winter road system. The driver must be able to produce documentation showing the delivery point on the winter road system.

Drivers are required to maintain and file logbooks. Time driven on the winter road system should be noted in the remarks section of the daily log as "winter road". The permit does not apply beyond the provincial border. The driver, after finishing winter road duties, must have enough off-duty time to come into compliance with the Hours of Service Regulations before resuming operation of a commercial vehicle on a highway.

Log Books

Required Information

The motor carrier is required to ensure drivers maintain true and accurate daily logs. A motor carrier may wish to implement some form of internal audit process to ensure that drivers are completing logbooks as required.

The daily log must contain the following required information:

a. completed prescribed graph grid

b. the date

c. the driver's name, legibly printed

d. the odometer reading

e. the truck, truck tractor, or bus licence plate number or unit number(s)

f. the licence plate number or unit number(s) of the trailer(s)

g. the name(s) of the motor carrier for whom the driver works

h. the signature of the driver

i. the name of the co-driver, legibly printed

j. the time in the 24 hour period when the driver's on-duty time commenced if the time is other than 12:00 midnight.

k. the address of the chief place of business of the motor carrier for whom the driver is employed/engaged during the work day

l. the total distance driven

m. the total time in each duty status

The graph grid has to be completed in a prescribed manner.

a. a continuous line is drawn between the appropriate markers for each 24-hour period in the appropriate grid to record the period of time when the driver is

   i. off duty

   ii. sleeper berth

   iii. driving

   iv. on duty, not driving

a. the name of the city, town or village or location on a highway and the province or state where each change of duty of status occurs

b. the graph grid is to be updated at the end of each change in duty status

c. all stops made in any city, town, village or highway location may be aggregated and recorded as one stop

d. at the end of each day the total number of hours in each duty status shall be entered in the space to the right of each graph grid below the phrase "total hours" and shall add up to 24 hours.

Note:

- Drivers must prepare and maintain logs in the time zone of the driver's home terminal.

- If an activity is less than eight minutes, the activity should be identified by drawing a line down into the 'remarks' section with the location and an explanation of the activity. If the on-duty activity is greater than eight minutes and less than 15 minutes, the driver will log the activity in a 15-minute increment.

- Drivers making multiple stops in a town or city may combine the on-duty time or driving time into single lines on the log. The driving time between such stops should be entered on the log at the conclusion of the driver's last stop.
- Every motor vehicle is required to have a working odometer. A hub-meter reading is acceptable in lieu of an odometer reading.
- The daily log begins and ends at midnight. (24:00 Hours)
- A driver must sign the log, certifying that the information provided is true and accurate.
- A driver must indicate the city, village or town and provincial/state reference at each duty status change. While provincial and state references may be abbreviated, names of cities, villages and towns must be written out in full.

Logbook Exemption

A driver is exempt from having to maintain a logbook under the following three conditions:

- The driver operates within a 160 km radius of driver's home terminal, and
- The driver's work shift does not exceed 15 hours, and
- The motor carrier maintains a record of the driver's shift start and finishing times

The exemption from having to keep a logbook does not exempt a driver from being in compliance with the Hours of Service Regulations, it applies only to the requirement of maintaining a logbook.

On Board Recording Device

An electronic or mechanical recording device is permitted in lieu of the driver maintaining a manual log, if the device provides all the required information. The device must automatically record when it is disconnected or tampered with, and visually or audibly warn the driver when the device malfunctions. The driver must be ready to manually prepare log forms should the device malfunction. Upon request of a peace officer, the driver must be prepared to complete manual logs using the information stored in the device for the period of the declared cycle. Carriers may choose to maintain data downloads of driver log information for a minimum period of six months, thereby meeting the record retention requirement.

Possession Of Logs and Support Documents

Drivers required to maintain logs must, at a minimum, possess a log for the current day and the previous seven days. A driver, who declares operating in the eight-day or 14-day cycle, must possess a log for the current day and the those of the declared cycle.

Drivers who have been off duty for several days may on their return to work, log consecutive off-duty days on a single log.

When requested by a peace officer, the driver must without delay produce his logs and trip documentation. Such documentation would include trip reports, Bills of

Lading, other shipping documents in addition to receipts for fuel, accommodation and other expenses.

Periodically, a logbook exempt driver may be required to travel beyond the 160 km radius. As such, the driver is required to maintain a log for that particular trip and be ready to present the hours worked for the previous seven days, if demanded by a peace officer. The driver may in this case, prepare a log indicating the number of on-duty hours for each of the previous seven days. The following sample is provided.

June 10 city work eight hours June 14 off-duty
June 11 city work 12 hours June 15 city work eight hours
June 12 city work 12 hours June 16 city work eight hours
June 13 off-duty

Record Keeping

The driver is required to submit the completed log to the carrier within 20 days. A driver who is in the employ of two or more carriers is required to provide each carrier with a copy of all logs. This will enable each carrier to monitor the driver's hours of service for dispatch purposes.

Carrier Responsibilities

Due Diligence

The Hours of Service Regulations place responsibility on the motor carrier to ensure that all company drivers and owner/operators engaged on behalf of the carrier comply with the hours of service regulations. A carrier's failure to demonstrate due diligence to ensure drivers are in compliance may result in charges being filed. The Department's enforcement options are outlined in the Enforcement & Penalties Section.

Due diligence is not simply a matter of doing the right thing. A carrier must have the necessary systems, policies and practices in place to identify and rectify issues of non-compliance. While issues of non-compliance will always exist, the carrier must continue to do what is reasonably expected. It is critical that corrective actions be documented to support the claim of due diligence.

Proactive Measures

A carrier's proactive approach is a key component of the Hours of Service management program. The carrier should develop and implement written policies and procedures to ensure compliance with the regulations. While demonstrating due diligence, the carrier has the ability to undertake corrective action through the application of the pre-determined disciplinary process. The driver, while required to be compliant with existing regulations, does maintain the right to refuse work that would place him/her in a position of non-compliance.

A carrier's internal policies must be specific in addressing this right to preclude the possibility of incidences involving coercion.

Effective training of operational staff responsible for driver supervision and dispatch in addition to drivers, is an integral component of a safety management program. Personnel must have knowledge and understanding of the regulations and be aware of the policies, procedures and available options. Training new

drivers and re-training of existing staff, who have demonstrated a continuing pattern of violations, is paramount in achieving a high level of compliance and realizing minimal intervention from enforcement agencies.

The carrier must ensure that drivers are only dispatched when there is a sufficient number of on-duty hours available to complete a trip. A system to monitor driver on-duty time is therefore essential. A driver calling the company dispatcher on a daily basis with the accumulated hours for the previous day and the dispatcher keeping a record of these hours would constitute the basis of an hours of service tracking system. From the information provided by the driver, the dispatcher would be able to calculate the driver's available hours remaining in the declared cycle.

Reactive Measures

The carrier must have the necessary tools available to enact reactive measures. The application of a self-audit program, timely reviews of driver records, driver disclosures/non-disclosures and the carrier profile will assist in identifying inappropriate behavior. Corrective measures may include re-training and/or disciplinary action, as identified in the carrier's disciplinary process. The failure to take corrective action does not constitute due diligence,
and will perpetuate the cycle of non-compliance.

Self-audit

A self-audit program is an integral component of a carrier's safety program. It provides the carrier with the ability to readily identify areas of non-compliance. The audit would involve the review of driver logbooks, support documentation such as fuel and logging receipts, and any other relevant documentation. It is important that the findings be documented to substantiate any corrective/disciplinary action taken. The sample size of the self-audit will vary due to the size of the company. A small carrier may choose to audit all driver logs, whereas a large company may audit a portion of the drivers for a selected period of time.

Driver logbooks should be audited to ensure that:

- There is a log for every day
- Logbooks are complete with all required information
- Drivers are in compliance with the regulations (13/15 hour and the cycle limitations)
- The logs are true and accurate when compared to support documents such as dispatch records, fuel receipts, payroll, bills of lading
- Logs are true and accurate when analyzed with a distance over time check
- On-duty time logged by the driver agrees with the driver's statement of hours or payroll submission.

Corrective Action

Corrective action may take the form of re-evaluation and assessment, retraining, or application of the disciplinary process leading up to and including dismissal. It should be part of a carrier's safety plan and consistent with the applicable federal and provincial legislation. Employees must be aware of its existence in the Safety Plan. A carrier may choose to have new employees acknowledge that they have been informed of the carrier's disciplinary policy at the time of hire, in addition to having a copy of the policy in plain view for all employees to see.

The disciplinary process should be progressive in nature. It may be initiated with a verbal warning and escalate to written warnings, suspensions and ultimately termination. The carrier should also identify offences that would warrant immediate termination.

Record Keeping

The carrier is required to maintain driver logbooks and support documents for a period of six months. These records must be kept in a neat and orderly manner, at the carrier's chief place of business in Manitoba. The carrier is required, on request by a Peace Officer, to produce these records during normal business hours. A Peace Officer is not required to give the carrier prior notice regarding such demands for inspection. Carriers are responsible for keeping track of driver's daily on-duty hours if that driver is exempt from keeping logbooks.

Enforcement & Penalties

Drivers

Drivers who are in violation of the Hours of Service Regulations are subject to charges heard in Provincial Court

Drivers on the road who can not produce logs for the current and previous seven days are subject to being placed Out of Service for a period of eight hours. Drivers driving beyond the Hours of Service limitations are subject to temporary licence suspension at the roadside until enough time has elapsed so that they are in compliance.

Motor Carriers

Violations of Hours of Service Regulations that result in convictions will have a negative impact on the carrier's Carrier Profile. An accumulation of these convictions, solely or in combination with convictions for any other type of offence under the *Highway Traffic Act*, may result in the carrier being identified by Carrier Profile as a facility audit candidate.

Record Retention Requirements

1. Records of Routine Maintenance 2 Years
2. Records of Vehicle Repairs 2 Years
3. Records of Government Commercial Vehicle Inspections 2 Years

4. Records of Manufacturer Recalls and Actions 2 Years
5. Pre and Post Trip Inspection Reports 3 Months

Carrier's Requirements

A carrier shall ensure that all public service or commercial vehicle(s) having a gross vehicle weight of 4500 kgs or more be inspected according to the regulations and be maintained in safe operating condition. No vehicle to be operated on a public highway by any owner or driver unless this condition is fulfilled.

Preventative Maintenance Program

The carrier shall develop and implement a preventative maintenance program (safety plan) to insure compliance with the regulations governing the safe operation of vehicles upon a highway, and that no vehicle is dispatched in unsafe condition.

Pre-trips

The first step in any preventative maintenance program is the pre-trip inspection by the driver or any other person so designated to perform this duty by the company. The Commercial Motor Vehicle and Trailer Trip Inspection Regulation (Manitoba Regulation 112/96) mandate this inspection requirement.

The inspection report must be in writing and contain the number plate or unit number of the truck and or trailer being inspected, date of inspection, defects identified, and name and signature of person conducting the inspection.

It is the responsibility of the carrier or his designate to complete the required repairs to the vehicle(s) prior to its dispatch.

Exemptions: No written inspection report is required when the vehicle(s) are operated within an area 160 km radius of the carriers place of business or a commercial vehicle other than a school bus which is the only commercial motor vehicle operated by the carrier and whose only driver is an individual who is also the carrier or controls the corporation that is the carrier.

Preventative Maintenance

The second step is to design a program to provide for regularly scheduled maintenance. This would establish criteria of when to schedule vehicle(s) for regular maintenance such as oil and filter changes and lubrications as well as intermediate inspections of key components such as brakes, hoses etc. The carrier may consider the manufacturers recommended maintenance schedule when determining their program. Another element is to schedule major inspections to compliment those required under the Periodic Mandatory Vehicle Inspection Regulation.

The carrier must maintain a record of all service completed on each vehicle for a period of two years and for six months after a vehicle has left the control of a carrier to be in compliance with the National Safety Code.

The records must contain a description of the service or repairs completed along with the date and mileage of the vehicle. In addition to repair records the carrier must retain CVSA inspection certificates, copies of PMVI inspections, pre-trip inspections and manufacturers recall notices. The carrier should maintain a separate file for each vehicle.
Flow Chart (Pre-trip Inspection)

Periodic Mandatory Vehicle Inspection Regulation (PMVI)
The PMVI is a requirement under the Periodic Mandatory Inspection Regulation. The vehicles required to be inspected under this regulation include buses, trucks, truck tractors, trailers, semi-trailers and trailer converter dollies. The inspection may only be conducted by shops which hold permits issued under the Inspection Station Operators and Qualified Mechanics Regulation.
Regulation 76/94 applies to trucks, truck tractors, trailers, semi-trailers and converter dollies having a gross vehicle weight of 4,500 kilograms or more, and buses having a seating capacity of 11 or more passengers, including the driver.
Trucks, with a gross vehicle weight between 4,500 and 21,953 kilograms, and trailers are required to be inspected on an annual basis.
Trucks, with a gross vehicle weight of 21,953 kilograms and over, are required to be inspected at six-month intervals.
If, on completing the inspection, the inspection mechanic is satisfied with compliance he will complete and issue a certificate and affix the PMVI inspection decal to the vehicle in respect of which it was issued.
No vehicle may be driven on a highway without a valid inspection decal
Exemptions: Trailers converted to mobile living quarters, new vehicles in transit from manufacturer facilities to wholesaler or dealer, buses for personal use, vehicles restricted to use on highways in and adjoining remote communities and vehicles registered as antique vehicles.
Commercial Vehicle Safety Alliance Inspections (CVSA)
CVSA inspections are inspections conducted on vehicles on the roadside or at the carrier's premises by individuals who have been certified as inspectors under the CVSA program. The inspectors may be from various agencies including Royal Canadian Mounted Police, City of Winnipeg Police, Transport Compliance and Transportation Safety and Regulation. The inspections are conducted in accordance with the criteria outlined in the Commercial Vehicle Safety Alliance. The inspections are conducted at random on the roadside or may in certain instances be arranged with the carrier to be conducted at the carrier's premises prior to commencement of an audit. The inspection may also be prearranged with the carrier where a complaint has been received regarding the condition of the carrier's vehicle(s).
Carriers are encouraged to take a pro-active approach towards vehicle maintenance. The department offers to conduct full-scale level five CVSA

inspections of the carrier's fleet at the carrier's premises for the purpose of evaluating the effectiveness of the maintenance program in place. During these inspections, no charges would be laid against the carrier or any driver by the department for failed or out-of-service conditions identified. However, the results of the inspections would be recorded in the Carrier Profile System. The benefits to the carrier include no down time and free inspections. Level one is a complete inspection including driver. An additional benefit to the carrier is more information from which to evaluate the effectiveness of its maintenance program.

Inspection Levels

Level 1 - complete vehicle inspection with the driver.
Level 2 - driver and vehicle walk around.
Level 3 - driver only inspection.
Level 4 - special inspection of one or more components.
Level 5 - complete vehicle inspection without driver.

The results of the inspections may result in the carrier receiving a pass. A vehicle passing a Level 1 and 5 inspection would receive a CVSA decal. This sticker is valid for three months and usually exempts the vehicle from further inspections of this type during the period of validity unless there is an obvious defect present.

A second result could be a failed conditional, which would indicate defects present. The operator would receive a copy of the inspection form with instructions the vehicle must be repaired prior to its next dispatch. A copy of the inspection form must be signed by the repairer (mechanic) and forwarded to the appropriate office within 15 days of the inspection.

The third result of the inspection could be to place the vehicle out-of-service. This would result in the vehicle being immediately taken off the road until the defects have been repaired. If the carrier can complete the repairs on site the vehicle would be re-inspected and if satisfactory the vehicle would be allowed to proceed. If the repairs are such that on site is not possible the vehicle may only be removed to the nearest repair site by a tow truck or in the accompaniment of the inspector. The carrier may not dispatch the vehicle until all the required repairs have been completed. The copy of the inspection form signed by the mechanic must be returned to the appropriate office within 15 days of the inspection.

Evaluation of the Carriers Preventative Maintenance Program

With any maintenance program, there is a requirement to evaluate the effectiveness of the program in maintaining a carrier's fleet of vehicles in safe condition. The carrier can assess the effectiveness of the pre-trip inspection by the number of defects, which appear on the roadside inspections and on the PMVI inspections. If there were significant reductions in the number of defects, which are identified by CVSA and PMVI inspections, the indication would be that the carriers pre-trip inspections are working. On the other hand increased defects or no reduction in defects would indicate a problem with the pre-trip inspection and a need for re-training of the drivers.

In addition to using the CVSA and PMVI inspections as an assessment tool, the carrier may request a copy of his or her Carrier Profile from Transport Safety and Regulation. This report supplies the carrier with a list of all tickets, CVSA inspections and accidents assessed against the carrier. There is no charge to the carrier for this report. Effective preventative maintenance inspections by the carrier could also have a positive effect in reducing the number of defects detected by roadside and mandatory inspections resulting in few failures and out-of-service conditions. The biggest benefit is usually less down time and cost savings for the carrier. It is always less expensive to make repairs at the carrier facility than on the road.

Note to Readers:

In the document entitled "Labels and Placards", under Class 7, where the text reads:

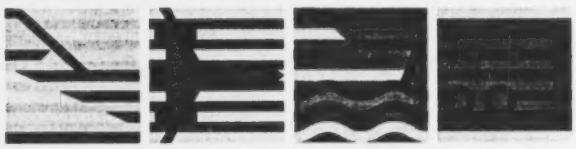
"Radioactive materials within the meaning of the Atomic Energy Control Act with activity greater than 74 kBq/kg"

It should read:

"Nuclear substances, within the meaning of the *Nuclear Safety and Control Act*, that are radioactive"

Transport Canada
Safety and Security
Dangerous Goods

Transports Canada
Sécurité et sûreté
Marchandises dangereuses



TRANSPORT DANGEROUS GOODS

A Primer

TP 12322

Canada

TRANSPORT DANGEROUS GOODS - A PRIMER

Transportation of Dangerous Goods Act, 1992 **- An Act to promote public safety in the transportation of dangerous goods.**

Each day, products defined as dangerous goods, that are necessary for maintaining Canadians' quality of life are shipped from one point to another within Canada. They arrive on highways, at airports and harbours and depart from Canada on the same highways, and at the same airports and harbours. These shipments are far too numerous to accurately record but number in the multi-millions each year. With this amount of movement, there is great potential for endangering human life and damaging our environment through mishaps in the course of transportation. It is essential for manufacturers, shippers, carriers, terminals, users and governments to continually work towards minimizing the risk of mishaps in the transportation of dangerous goods and the harm done by mishaps that do occur. To this end, governments have developed statutes and regulations that apply to all stages of dangerous goods movement and inspection and enforcement programs to achieve compliance with the legislation. In Canada, the federal government and each of the provinces and territories have enacted legislation to regulate the transportation of dangerous goods. While the jurisdictional coverage of these pieces of legislation varies, the intent is consistent and, to that end, each piece of legislation adopts the ***Transportation of Dangerous Goods Regulations*** made under the federal statute.

What is a Dangerous Good?

Many products pose some danger while being transported, but dangerous goods are generally products that are inherently dangerous whether or not they are in

transport. Special precautions are called for to ensure their safe transportation. The *TDG Act, 1992*, defines the term "dangerous goods" as follows;

...means a product, substance or organism included by its nature or by the regulations in any of the classes listed in the schedule.

The schedule referred to is, of course, the Schedule to the *TDG Act, 1992*, illustrated herein, which identifies nine classes of dangerous goods.

How are Dangerous Goods Classified?

Classification matters are dealt with in the regulations. Persons who manufacture dangerous goods or products containing dangerous goods cannot offer them for transport unless they have been properly classified. Each dangerous good falls within one of the nine classes of the Schedule to the Act and is further identified by Divisions within the class. The Division is a more precise identification of the danger associated with the particular good within the general class. The Division may have reference to the flashpoint of flammable liquids, the sensitivity of explosives or the danger associated with compressed gasses. There is also a Packing Group (PG) that is a part of the classification of some dangerous goods and is noted as PG I, II or III. The packing group indicates the level of hazard within a classification, with PG I representing the greatest risk of danger.

"Handling" Dangerous Goods!

The *TDG Act, 1992* defines the term "handling" as meaning the loading, unloading, packing or unpacking of dangerous goods in a means of containment or transport for the purposes of, in the course of or following transportation and includes storing them in the course of transportation.

Perhaps the most important aspect of handling is the packing of dangerous goods into a means of containment; it is generally believed that if the packaging is suitable, the risk of a serious incident occurring is greatly reduced. To this end, representative committees from industry, government, environmental groups, and others develop standardized designs and methods of manufacturing packaging or means of containment for particular types of dangerous goods. These standards in containment are referred to as Safety Standards and are adopted by the regulations.

A general requirement in the regulations stipulates that when no standard packaging is prescribed, the dangerous goods must be packaged in a way that ensures no discharge, emission or escape of the dangerous goods that could result in danger to life, health, property or the environment.

Consignment inspections at distribution points for manufacturers, carriers, or purchasers focus on the type of packaging used in the shipment of dangerous goods.

Identification of Dangerous Goods and Communication of Hazards

The regulations prescribe labels and placards for each classification of dangerous goods as well as information to be in documents that must accompany the consignment of dangerous goods.

The prescribed markings and documentation are intended to convey the nature of the danger to handlers and accident responders. Generally, smaller packages are required to be labelled while larger shipments that are shipped in bulk containers are placarded. Transport units that are used to ship dangerous goods must be placarded in accordance with the regulations. Prescribed documents must accompany the consignment and be readily accessible.

Placards are a clear indication that a transport unit contains dangerous goods that otherwise might not be identified as such immediately. When an accident involving a transport unit occurs, these placards alert

responders to the presence of dangerous goods and the necessary precautions to avoid injury and damage can be taken. In the proper circumstances, responders may examine the contents of the transport unit to locate the particular consignment of dangerous goods and/or examine the documentation accompanying the consignments to obtain more precise information about the dangerous goods being transported.

Training

The regulations require that, with few exceptions, every person engaged in the handling, offering for transport or transporting of dangerous goods be trained in the aspects of these activities that are applicable to their assigned duties. This is a self-evident, important concern in managing the shipments of dangerous goods. Without training, workers are not able to select the proper packaging for a consignment, or properly label and document it. Without labelling and documentation, placarding of loads may not occur and a resulting accident caused by improper packaging will escalate into a very serious incident for responders and greatly endanger public safety generally.

Violation Remedies and Penalties

Effective enforcement requires that knowledgeable persons monitor the flow of dangerous goods consignments to ensure compliance with the Act and regulations. For that purpose, the Act has created inspectors to cover the many facets of packaging and transportation of dangerous goods and given them various powers to ensure public safety. When inspectors determine that dangerous goods are being handled or transported, they may inspect the consignment and use the powers under the Act to ensure that any movement of the dangerous goods is in compliance with the Act and regulations. On occasion, it may be necessary to prosecute offenders and the Act provides for this type of enforcement action.

Prosecutions

Prosecutions are undertaken for violations of specific sections of the Act. The penalty provisions provide for fines up to $50,000.00 for first offences and $100,000.00 for subsequent offences in summary conviction proceedings, and up to two years im-prisonment for indictable offences. The Act also contains some special provisions with respect to orders that may be made by the convicting Court. The orders may be made in addition to any other penalty imposed and they cover such matters as prohibiting a person from engaging in an activity regulated by the Act, requiring a person to compensate others, repair damage to the environment or, contribute to research in respect of the transportation of dangerous goods.

Conclusion

While regulation of an industry or activity is sometimes regarded as an obstacle to commerce, this enactment is supported by those involved in the industry as well as the general public. They recognize that the primary purpose of regulation is to ensure the safety of everyone affected by the movement of dangerous goods and the preservation of our environment. The potentially dire consequences of uncontrolled movement of the many dangerous goods created by our society certainly underscores the need for effective regulation and enforcement.

Compliance and Response Branch
Transport Dangerous Goods Directorate
Transport Canada
330 Sparks Street,
Ottawa, Ontario K1A 0N5

SCHEDULE

Class 1 - Explosives, including explosives within the meaning of the Explosives Act.

Class 2 - Gases; compressed, deeply refrigerated, liquefied or dissolved under pressure.

Class 3 - Flammable and combustible liquids.

Class 4 - Flammable solids; substances liable to spontaneous combustion; substances that on contact with water emit flammable gases.

Class 5 - Oxidizing substances; organic peroxides.

Class 6 - Poisonous (toxic) and infectious substances.

Class 7 - Radioactive materials and radioactive prescribed substances within the meaning of the Atomic Energy Control Act.

Class 8 - Corrosives.

Class 9 - Miscellaneous products, substances or organisms considered by the Governor-in-Council to be dangerous to life, health, property or the environment when handled, offered for transport or transported and prescribed to be included in this class.

JULY 1998

Transport Canada Surface
Dangerous Goods

Transports Canada Surface
Marchandises dangereuses

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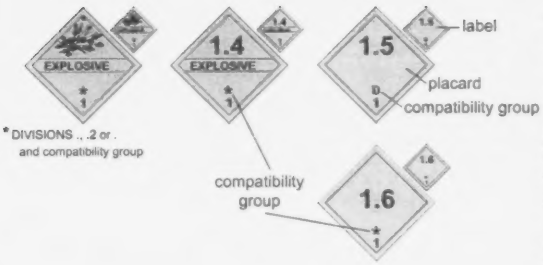
LABELS AND PLACARDS

The Marks of Safety



Class 1 - Explosives

1.1 - A substance or article with a mass explosion hazard.
1.2 - A substance or article with a fragment projection hazard, but not a mass explosion hazard.
1.3 - A substance or article which has a fire hazard along with either a minor blast hazard or a minor projection hazard or both, but not a mass explosion hazard.
1.4 - A substance or article which presents no significant hazard; explosion effects are largely confined to the package and no projection or fragments of appreciable size or range are to be expected.
1.5 - A very insensitive substance which nevertheless has a mass explosion hazard like those substances in 1.1.
1.6 - An extremely insensitive substance which does not have a mass explosion hazard.

Class 2 - Gases

2.1 - A flammable gas.
2.2 - A non-flammable, non-poisonous, non-corrosive gas.
2.3 - A poisonous gas.
2.3 - Canada - U.S. transborder shipments and special poisonous gases.
2.4 - A corrosive gas.
2.2 (5.1) - Oxygen only (mixed load).

Class 3 - Flammable Liquids

A liquid with a closed-cup flash point of not greater than 61°C.

Class 4 - Flammable Solids; Substances liable to spontaneous combustion; Substances that on contact with water emit flammable gases (water-reactive substances)

4.1 - A solid that under normal conditions of transport is readily combustible or would cause or contribute to fire through friction or from heat retained from manufacturing or processing or is a self-reactive substance that is liable to undergo a strongly exothermic reaction, or is a desensitized explosive that is liable to explode if they are not diluted sufficiently to suppress their explosive properties.
4.2 - A substance liable to spontaneous combustion under normal condition of transport, or when in contact with air, liable to spontaneous heating to the point where it ignites.
4.3 - A substance that, on contact with water emits dangerous quantities of flammable gases or becomes spontaneously combustible on contact with water or water vapour.

Class 5 - Oxidizing Substances and Organic Peroxides

5.1 - A substance which causes or contributes to the combustion of other material by yielding oxygen or other oxidizing substances whether or not the substance itself is combustible.
5.2 - An organic compound that contains the bivalent "-O-O-" structure which is a strong oxidizing agent and may be liable to explosive decomposition, be sensitive to heat, shock or friction, react dangerously with other dangerous goods or may cause damage to the eyes.

Class 6 - Poisonous Substances and Infectious Substances

6.1 - A solid or liquid that is poisonous through inhalation of its vapours, by skin contact or by ingestion.
6.2 - Organisms that are infectious or that are reasonably believed to be infectious to humans or to animals.

Class 7 - Radioactive Materials

Radioactive materials within the meaning of the Atomic Energy Control Act with activity greater than 74 kBq/kg.

Canada

Transport Canada Surface Dangerous Goods
Transports Canada Surface Marchandises dangereuses

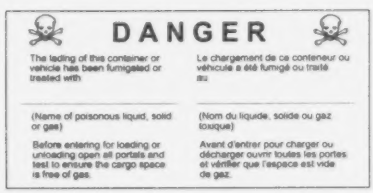
LABELS AND PLACARDS

The Marks of Safety

Class 8 - Corrosive Substances
A substance that causes visible necrosis of skin or corrodes steel or non-clad aluminum.

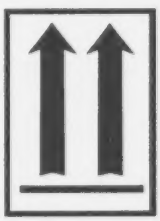
Class 9 - Miscellaneous Products or Substances
9.1 - Miscellaneous Dangerous Goods; a substance or product presenting dangers sufficient to warrant regulation in transport but which cannot be ascribed to any other class.
9.2 - An environmentally hazardous substance.
9.3 - A dangerous waste.

Special Labels and Placards


DANGER
The lading of this container or vehicle has been fumigated or treated with
Le chargement de ce conteneur ou véhicule a été fumigé ou traité au
(Name of poisonous liquid, solid or gas)
(Nom du liquide, solide ou gaz toxique)
Before entering for loading or unloading open all portals and test to ensure the cargo space is free of gas.
Avant d'entrer pour charger ou décharger ouvrir toutes les portes et vérifier que l'espace est vide de gaz.

Fumigation Sign

Ventilation requirements



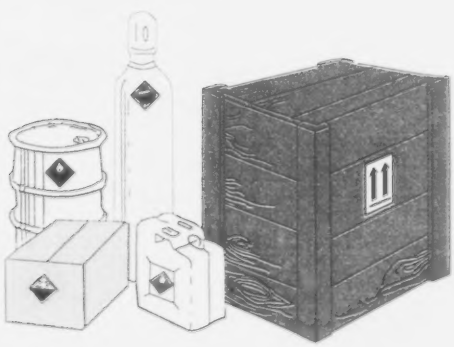
Package Orientation

Special PCB requirements

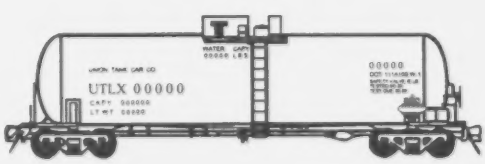
Mixed Load requirement

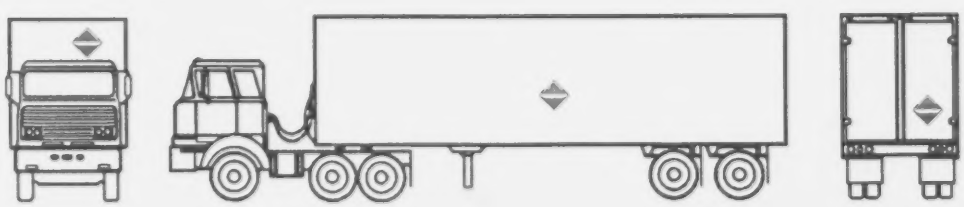
Tank Car Only
Residues after unloading

Marine Pollutants - International Convention for the Prevention of Pollution from Ships 1973 (MARPOL 73/78)



For bulk shipment the Product Identification Number is required.





MARCH 2002

PROVINCIAL AND TERRITORIAL DANGEROUS GOODS CONTACT LIST

JURISDICTION	NAME	TELEPHONE/FAX
BRITISH COLUMBIA	Manager, Dangerous Goods Insurance Corporation of B.C. 910 Government Street Victoria, British Columbia V8W 3Y8	**Phone:** (250) 414-7844 **Fax No:** (250) 978-8018
ALBERTA	Director Dangerous Goods and Rail Safety Branch Transportation Safety Services Division Alberta Infrastructure 2nd Floor - Twin Atria Building 4999 98th Avenue Edmonton, Alberta T6B 2X3	**Phone:** (780) 415-0686 **Fax No:** (780) 422-9193
SASKATCHEWAN	Manager, Transport Regulations and Dangerous Goods Program Saskatchewan Highways and Transportation 1855 Victoria Avenue, 9th Floor Regina, Saskatchewan S4P 3V5	**Phone:** (306) 787-5307 **Fax No:** (306) 787-3963
MANITOBA	Environment Officer Dangerous Goods/Emergency Response Dept. of Conservation 123 Main Street - Suite 160 Winnipeg, Manitoba R3C 1A5	**Phone:** (204) 945-7025 **Fax No:** (204) 948-2420
ONTARIO	Facility Audit Administrator Carrier Enforcement Program Office Carrier Safety & Enforcement Branch 301 St. Paul Street, 3rd Floor St. Catharines, Ontario L2R 7R4	**Phone:** (905) 704-2342 **Fax No:** (905) 704-2467

QUÉBEC	Ministère des Transports du Québec Direction du transport routier des marchandises Service de la normalisation technique Section transport des matières dangereuses 700, boul. René-Lévesque Est, 2e étage Québec (Québec) G1R 5H1	**Phone:** (418) 528-8640 **Fax No:** (418) 528-5670
NEW BRUNSWICK	Special Projects Dept. of Public Safety Compliance Branch C.V.E. 428 Collishaw Street Moncton, N.B. E1C 3C7	**Phone:** (506) 856-2958 **Fax No:** (506) 856-2006
NOVA SCOTIA	Coordinator Service Nova Scotia and Municipal Relations Halifax, Nova Scotia B3J 2M4 Civic address: 1505 Barrington St. P.O. Box 156 9th floor, North B3J 3K5	**Phone:** (902) 424-3602 **Fax No**: (902) 424- 0512
PRINCE EDWARD ISLAND	Highway Safety Co-ordinator Highway Safety Division Dept. of Transportation and Public Works P.O. Box 2000 33 Riverside Drive Charlottetown, Prince Edward Island C1A 7N8	**Phone:** (902) 368-5222 **Fax No:** (902) 368-5236
NEWFOUNDLAND	National Safety Code Coordinator Motor Registration Division Dept. of Government Services and Lands P.O. Box 8710, Athens Drive & Old Placentia Rd. Motor Vehicle Registration Building St. John's, Newfoundland A1B 4J5	**Phone:** (709) 729-6069 **Fax No:** (709) 729-0102

YUKON	Manager, Commercial Vehicle Enforcement Community and Transportation Services Transport Services Branch P.O. Box 2703 91444 Alaska Highway Whitehorse, Yukon Y1A 2C6	**Phone:** (867) 667-5920 **Fax No:** (867) 393-6408
NORTHWEST TERRITORIES	Motor Vehicle Division Dept. of Transportation Govt. of the Northwest Territories 76 Capital Drive, Suite 201 Hay River, Northwest Territories XOE 1G2	**Phone:** (867) 874-5006 **Fax No:** (867) 874-6088
NUNAVUT	Dangerous Goods Coordinator Dept. of Community and Transportation Services Bag 800 Iqaluit, NT X0A 0H0 Civic address: Brown Building, 2nd floor	**Phone:** (867) 975-5316 **Fax No**: (867) 975-4221

FEDERAL TRANSPORT DANGEROUS GOODS CONTACT LIST

JURISDICTIONS	NAME	TELEPHONE/FAX
PACIFIC REGION	Chief Transport Dangerous Goods Transport Canada 625 Agnes Street, Suite 225 New Westminster, British Columbia V3M 5Y4	**Phone:** (604) 666-6740 **Fax No:** (604) 666-7747
PRAIRIE REGION	Chief Transport Dangerous Goods Transport Canada Federal Building, Room 305, 3rd floor 101-22nd Street East Saskatoon, Saskatchewan S7K 0E5	**Phone:** (306) 975-5059 **Fax No:** (306) 975-4555
NORTHERN REGION	Transport Dangerous Goods Transport Canada 402-344 Edmonton Street Winnipeg, Manitoba R3B 2L4	**Phone:** (204) 983-5969 **Fax No:** (204) 983-8992
ONTARIO REGION	Chief Transport Dangerous Goods Transport Canada 20 Toronto Street, Suite 600, 6th floor Toronto, Ontario M5C 2B8	**Phone:** (416) 973-9820 **Fax No**: (416) 973-9907
EASTERN REGION	Chief Transport Dangerous Goods Transport Canada 702-685 Cathcart Street Montreal, Quebec H3B 1M7	**Phone:** (514) 283-0303 **Fax No:** (514) 283-8234
ATLANTIC REGION	Chief Transport Dangerous Goods Transport Canada 45 Alderney Drive, Suite 1415 Queen Square Building Dartmouth, Nova Scotia B2Y 2N6	**Phone:** (902) 426-9351 **Fax No:** (902) 426-6921

TRANSPORT DANGEROUS GOODS DIRECTORATE	CANUTEC Transport Canada Ottawa, Ontario K1A 0N5	**Phone:** (613) 992-4624 **Fax No:** (613) 993-5925
AIR TRANSPORTATION OF DANGEROUS GOODS	Chief, Dangerous Goods Standards Aviation Regulation Directorate Transport Canada – Aviation Place de Ville, Tower "C" 330 Sparks Street Ottawa, Ontario K1A 0N8	**Phone:** (613) 990-1060 **Fax No:** (613) 954-1602
MARINE	Senior Surveyor Dangerous Goods Ship Safety Directorate Canadian Coast Guard Transport Canada Ottawa, Ontario K1A 0N5	**Phone:** (613) 991-3143 **Fax No**: (613) 993-8196
RAILWAY TRANSPORT	Chief of Operations Transport Canada Operations Branch 344 Slater Street, 15th Floor Ottawa, Ontario K1A 0N5	**Phone:** (613) 990-7077 **Fax No:** (613) 990-2012
EXPLOSIVES	Explosives Division Natural Resources Canada 580 Booth Street Ottawa, Ontario K1A 0E4	**Phone:** (613) 995-8415 **Fax No:** (613) 995-0480
RADIOACTIVE MATERIALS	Directorate of Fuel Cycle and Materials Regulation Atomic Energy Control Board Ottawa, Ontario K1P 5S9	**Phone:** (613) 995-0553 **Fax No:** (613) 995-5086
DANGEROUS GOODS WASTE	Waste Management Branch Environment Canada Place Vincent Massey 351 St. Joseph Boulevard Hull, Quebec K1A 0H3	**Phone:** (819) 997-3378 **Fax No**: (819) 997-3068

CANADIAN TRUCKING ALLIANCE
ALLIANCE CANADIENNE DU CAMIONNAGE

Crossing International *Borders*

A Trucker's Guide

Crossing International Borders

A Trucker's Guide

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1.0 Introduction

This edition of *Crossing International Borders: A Trucker's Guide* has been updated from the original version published in March 1995. It provides the information and leads you need to ensure that you, your vehicle and your load will satisfy Canadian, U.S. and Mexican government regulatory requirements in the trucking sector. In short, it has been designed to make crossing into Canada, the United States and Mexico as speedy, simple and smooth as possible.

Crossing International Borders will familiarize you with processes and procedures involving the movement of freight into Canada, the United States, and Mexico. However, international travel is more than just getting across the border. You must abide by the laws and regulations of the countries, states and provinces in which you travel. This guide, therefore, also provides practical information on rules and legislative matters such as immigration requirements, drug and alcohol testing, and driver hours of service.

Further information, including copies of most forms required by Canadian and U.S. Customs, is available on the Internet. Web-based links to many of the relevant government and industry organizations are listed in Chapter 6 for your reference.

This guide covers most border-crossing situations, but it is not a comprehensive reference text. Where possible, consult with your employer, the shipper and the customs broker to ensure that forms are complete and accurate and that you know what steps to take when preparing to cross the border.

Note that the provisions of the North American Free Trade Agreement regarding cross-border trucking operations to and from Mexico have not yet been implemented. Canadian companies, however, may be able to cross into Mexico under the 1994 Canada-Mexico Memorandum of Understanding on Cargo Exchange.

While every effort has been made to ensure that this guide is accurate, the information and recommendations are based on simplified interpretations of complex regulations. The Canadian Trucking Alliance expressly disclaims the making of any representation, express or implied, with respect to the information published in this guide. Drivers transporting international cargo across international borders should refer to the full text of the appropriate regulations. All shipments are subject to inspection and drivers to questioning when entering Canada, the United States or Mexico, and are subject to the laws of the respective countries.

Additional changes and updates to this guide will be made available on the Canadian Trucking Alliance web site at **www.cantruck.com.**

2. Before You Go

Time spent preparing before leaving on a trip means less time spent at the border. Establish a regular routine, from freight pick-up to the information and forms required by Customs to cross the border.

2.1 Checklist

There are many things to remember before setting out on a trip to Canada, the United States or Mexico. Some of the more important items that you will need are:

- *your valid commercial driver's licence;*
- *proof of citizenship, such as a birth certificate or passport, proof of Canadian landed immigrant status (form IMM 1000), or a U.S. "green card", if applicable;*
- *vehicle licences and permits, including valid International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP) permits, as well as proof of payment of the U.S. Heavy Vehicle Use Tax (HVUT);*
- *operating licences (sometimes called an operating authority or safety certificate) recognized by each jurisdiction in which you will be travelling;*
- *forms required by Customs and the appropriate number of copies; and*
- *information on the hours of the border crossing and/or the inland destination where you want to clear Customs.*

Advanced preparation will help ease your way through Customs. In addition to having all the required paperwork completed[1], remember these three important hints:

Know your load: Always familiarize yourself with the freight you are carrying so you can answer the Customs inspector's questions quickly. Even if you just hooked on, make it your business to know what is inside the trailer.

---

[1] See chapters 3-5 for country-specific details concerning paperwork requirements.

Expect examination: Customs inspectors must know what you are carrying. They have the right to examine your freight. It will be your responsibility to remove any covering, unload, or open and unpack any package, container or other unit the inspector requests.

- *Try to make sure that each shipment is loaded so that it can be inspected with as little delay as possible. Discuss the importance of loading with the shipper. Otherwise, you may have to waste a lot of time and energy unloading the truck when you cross the border.*
- *Customs tries to provide adequate facilities and equipment to make the inspection process easier. Where facilities do not exist, however, it is the carrier's responsibility to pay for any cost incurred in the examination of freight.*
- *If you discover shortages or overages in your freight, make sure they are noted on the forms required by Customs. Report all shortages to the designated customs broker and to Customs. If a Customs inspector discovers an undeclared overage, your truck and freight can be seized and costly penalties will be assessed.*

Co-operate with the Customs inspector: Government inspectors are human. They are likely to respond to you in a manner similar to the way you treat them. A pleasant, co-operative attitude is important and will probably help move things along more quickly.

Make the process easier for yourself: *know your load, expect examination, co-operate with Customs.*

2.2 BONDS

The purpose of posting a bond with Customs is so that the shipment can be cleared at a point other than the border crossing, such as at an authorized inland warehouse. In Canada, this is called a sufferance warehouse (known elsewhere as a bonded warehouse).

Freight is also transported in-bond if your route requires you to pass through the border (in transit) but not deliver the freight in that country.

Customs may seal your in-bond freight if you are not a post-audit carrier. A Customs seal would be placed in such a way that the load could not be removed prior to Customs inland clearance. If your freight is not already bonded when you pick up the load, you can purchase a single-trip bond at the border crossing.

2.3 SEALS

If your truck is sealed by Customs, make sure no one tampers with, damages, or removes the seals. Report any evidence of illegal tampering to Customs immediately.

If any official other than a Customs inspector (such as a peace officer) asks you to remove the seals to inspect the freight, ask that official for a signed statement indicating his or her authority for breaking the seal. If you have to break a seal for any reason, write down the time, place, and reason for your actions on a piece of paper and sign it. Give the paper to a Customs inspector at the border.

2.4 BORDER AND BROKERS' HOURS

Before leaving the terminal, find out the border point at which you will be crossing and the hours it is open to clear *commercial* traffic.

When you arrive at the border crossing, make sure to use the lanes designated for trucks. They are usually located at the far left or right sides of the automobile inspection stations. Not all border crossings have the same layout, so watch for signs that will tell you where commercial trucks should report.

Before leaving the terminal, write down the name and telephone number of the designated brokerage firm. Also, find out the working hours at its border office. If you expect to arrive at the

border after its office is closed, get the name and number of an alternate broker or arrange for after-hours clearance. There may be a fee involved for after-hours clearance service, so make sure that you obtain authority from your employer to request the service well before you reach the border.

2.5 Other Government Inspection Services

Agricultural freight such as animals and animal byproducts, vegetables, plants and dairy products may require inspection by government inspection services. This may include the Canadian Food Inspection Agency (CFIA), the U.S. Department of Agriculture (USDA) or the Mexican Secretariat of Agriculture, Cattle and Rural Development.[1]

Hours of operation are limited and not all border-crossing points have government inspection stations. Determine, in advance, if your freight requires this type of inspection and make sure it is available when and where you need it. Contact the customs broker if you need assistance. In Canada, the CFIA has three import service centres to provide services to the importer.

2.6 Accidents and Repairs

If you are in an accident and your load has not yet cleared Customs, make sure the nearest Customs authorities and local police are notified immediately.

If your rig breaks down and requires repairs outside your own country:

- *report the repairs to the designated customs broker and to Customs; and*
- *keep all the invoices and cash receipts for the repair work. Give the invoices and receipts to your supervisor when you return to your home terminal.*

[1] See Chapter 6 for telephone numbers and/or Internet addresses of all government departments and industry organizations mentioned in this guide.

Alterations, additions and vehicle modifications must also be reported to Customs and the applicable duties and taxes must be paid. Consult your designated broker for assistance with these matters.

2.7 LANGUAGE

Under an agreement reached under the North American Free Trade Agreement Land Transportation Standards Subcommittee, it is the responsibility of the driver and the motor carrier to be able to communicate in the country in which the driver/carrier is operating, so that safety is not compromised.

English is used predominately in every Canadian province except for Quebec, where many people speak only French. All Canadian Customs and Citizenship and Immigration offices offer services in both English and French.

If you are crossing into Mexico, many Spanish-speaking Mexican Customs inspectors, brokers and forwarders can speak English, but you should not count on it.

2.8 DRUGS AND ALCOHOL

The laws regulating the use of drugs and alcohol are those of the country in which you are driving. It is a criminal offence in Canada, the United States and Mexico to have alcohol in your cab or to be in possession of illegal drugs anywhere in the truck.

In all three countries, it is a criminal offence to be impaired while you are driving. If a law officer believes that you are impaired, the officer may demand a test to determine impairment. Testing positive could result in a fine and/or a criminal conviction and possibly seizure of the vehicle.

Canada does not have drug and alcohol testing legislation, but driving while impaired or refusing to submit to a breath sample can result in severe criminal penalties. A designated Canada Customs officer has the authority to order a test for alcohol and drug impairment at the border.

Commercial drivers travelling in the United States must comply with U.S. federal substance testing regulations covering both alcohol and drugs. It is important for Canadian drivers to be aware that certain types of testing (e.g. pre-employment, random) will be conducted in Canada rather than in the United States. While U.S. law does not call for random roadside testing, you may be subject to a drug and alcohol test following an accident, or if a law officer has just cause to believe you are impaired. Records at your workplace in Canada are subject to audit for compliance with U.S. regulations.

Mexico has a program of roadside medical inspections, which includes testing drivers for alcohol.

2.9 PERMISSIBLE HOURS OF SERVICE

You must observe the regulations of the country in which you are driving.

Country	Maximum consecutive hours driving	Maximum consecutive hours on duty (incl. driving time)	Maximum on-duty hours in a	
			7-day period	8-day period
Canada[A, B]	13	15[C]	60	70
United States	10	15[C]	60	70
Mexico	8-10		50	

A: There are some variations in the minimum rest provisions for team drivers. Also, hours of service rules differ somewhat for drivers operating north of the 60th parallel, and for oilfield service drivers. If these situations apply, contact Transport Canada's Road Safety Branch for details.

B: A driver may spend 120 hours on duty in a period of 14 consecutive days provided that, prior to accumulating 75 hours on duty, a driver spends a minimum of 24 hours off duty.

C: Preceded by 8 hours off duty.

Always ensure that your logbook is properly completed and up-to-date to demonstrate compliance with these hours of service regulations. Be aware that you could be fined, be placed out-of-service, or have your licence suspended by local authorities if you exceed the national hours of service limits.

Note that hours of service rules are currently under review in both the United States and Canada. For further information, contact the applicable federal transportation departments or trucking associations referred to in Chapter 6.

2.10 OPERATING LICENCES

In Canada, operating authorities, be they licences, operating certificates or safety fitness certificates, are issued at the provincial level. In the United States, all interstate and international carriers are required to obtain a DOT number, and for-hire carriers an operating authority, from the Federal Motor Carrier Safety Administration (FMCSA). Mexico issues permits to motor carriers through the Secretariat of Communications and Transport (SCT) although at time of printing, applications for permits by non-Mexican carriers are not being processed.

Be sure that you have the appropriate operating licences for every jurisdiction you will be driving through.

LICENCES AND REGISTRATION DOCUMENTS

- *Make sure you always have the proper licences and registration documents for your vehicle as well as your commercial driver's licence (CDL).*
- *For interprovincial, interstate and international travel, you should ensure your vehicle has an up-to-date International Fuel Tax Agreement (IFTA) sticker. All Canadian provinces and contiguous U.S. states are IFTA members; there is no equivalent fuel tax in Mexico.*
- *You should also ensure that your vehicle has the required registration for each of the jurisdictions in which you plan to travel. As of April 1, 2001, all Canadian provinces and the 48 contiguous U.S. states are members of the International Registration Plan (IRP). As a carrier, you are permitted to travel in all jurisdictions listed on your IRP cab card without payment of further registration fees.*

- *Mexico is not an IRP member. You will require a permit to enter Mexico issued by the SCT.*

Be aware that U.S. Customs imposes a US$5 commercial vehicle processing fee at the Canadian border and a US$9.50 fee at the Mexican border. If you plan to cross into the United States on a regular basis, you may obtain an annual sticker for US$100 per vehicle for the Canadian border or US$190 for the Mexican border.

2.11 MEDICAL CERTIFICATION

The three NAFTA countries require commercial drivers to be medically certified.

In Canada, provinces prescribe the scope and timing of medical checks. You must pass a medical examination in order to obtain and keep your CDL.

In the United States, the Federal Motor Carrier Safety Administration establishes the medical requirements for drivers. A separate driver medical card is issued. Canada and the United States have a reciprocal recognition agreement, whereby Canadian drivers are not required to carry a separate medical card when in the United States. While operating in the United States, a Canadian provincial driver's licence will serve as proof of meeting all applicable medical standards. However, the following drivers are not qualified to drive in the United States: those who are insulin-dependent diabetics, have an established medical history or clinical diagnosis of epilepsy, do not meet the U.S. medical standard for hearing, or do not meet the medical standards specified in Canada's National Safety Code and have a waiver issued by a province.

In Mexico, requirements are set and enforced by the SCT. Foreign and domestic drivers may be subject to an in-service medical examination.

Do not assume that your existing health plan (including medical coverage provided by provincial governments) will pay for treatment in a foreign country. Check with your employer or insurer before you leave.

2.12 DANGEROUS GOODS

Dangerous goods are not accepted at some border crossings. Verify with Customs (before you arrive at the Customs office) that you can clear your load.

The transportation of dangerous goods (often referred to as hazardous materials or HAZMAT), such as explosives, gases, flammable liquids and solids, and poisonous substances, is strictly controlled in Canada, the United States and Mexico. All drivers who transport these products are required to take special training. For more information, refer to the Canadian Trucking Alliance's publication, *Dangerous Goods: A Trucker's Guide*.

2.13 CABOTAGE (INTERSTATING)

Canada, the United States and Mexico maintain restrictions on the point-to-point movement of freight by foreign trucks and drivers. Penalties for failure to comply can be severe, and may include fines, seizure of the equipment, and banning of the driver from re-entering the country.

As a general rule, immigration law allows foreign drivers to deliver freight that has an origin in one country and a destination in another. For example, a Canadian driver could load in Canada and deliver the freight to one or several U.S. destinations. Similarly, on the return trip, the driver could pick up goods at one or several U.S. destinations and deliver these goods to Canada. The key is that goods cannot be both picked up and delivered in the foreign country.

Cabotage (sometimes called *interstating*) rules apply not only to the loading and delivery of the freight carried in a trailer, but may also limit the ability of a foreign driver to participate in the switching of trailers, as well as the point-to-point movement of empty trailers (either following delivery of an import load or preceding the pick up of an export load). In general, if a foreign driver is hauling a trailer that he did not transport into the country, and that trailer is moving between two points in that country, the driver may be contravening immigration rules.

While recent reforms to Customs rules in Canada and the United States permit wider flexibility in the movement of foreign equipment, immigration rules on foreign drivers remain in place.

2.14 VEHICLE WEIGHTS AND DIMENSIONS

Do not assume that the legal limits in your home jurisdiction apply to other provinces or states. Standards vary widely throughout North America, and it is important to ensure that your vehicle and its load do not exceed legal limits anywhere along your route. In some cases, oversize/overweight permits can be obtained from the relevant state or provincial authority.

2.15 PERSONAL FIREARMS

There are substantial differences in legislation governing firearms in Canada, Mexico and the United States. Penalties for unauthorized possession and importation vary widely. Drivers should exercise caution in this area and check with Customs offices in each country before attempting to bring personal firearms across any border.

3. Entering Canada

3.1 Introduction

Before you leave for Canada, make sure that each shipment in your load is correctly described on the proper forms.

Before you arrive at the border, separate the Canadian import forms and U.S. Customs export forms for your easy access. Complete any form that is your responsibility, such as the A8A(B) Cargo Control Document.

If you have forms required by U.S. Customs, such as the 7525-V Shipper's Export Declaration, stop at the U.S. inspection booth and give the U.S. inspector the forms. If everything is in order, the inspector will tell you to drive through to Canada Customs. (See section 3.6 for a list of Canadian Customs documents.)

When you arrive at the border crossing, make sure to use the traffic lanes reserved for commercial vehicles.

The use of 2ITN carrier codes is no longer accepted by Canada Customs. Carriers must use their own carrier code in bar-coded format on all freight documents. To obtain a carrier code, you are required to complete and submit to Customs form E369 (Application to Transact Non-Bonded Carrier Operations at Port of Arrival in Canada). Form E369 is available at all Canada Customs offices.

Be aware that Canadian transport officials perform periodic spot checks of logbooks, vehicle maintenance, licences and any other item related to the safe operation of your truck. Failure to meet safety regulations may bring fines, removal of vehicle plates and other penalties. Make sure your truck always conforms to the necessary safety and operational standards as prescribed by the regulations.

Canadian Customs offices

The following Canadian Customs offices provide for clearance of commercial shipments 24 hours a day, 365 days a year.

Province	Border Crossing
British Columbia	Pacific Highway, Osoyoos, Kingsgate
Alberta	Coutts
Saskatchewan	North Portal
Manitoba	Emerson
Ontario	Pigeon River, Fort Frances, Sault Ste. Marie, Sarnia, Prescott, Lansdowne, Fort Erie, Niagara Falls, Windsor
Quebec	Lacolle, St. Armand-Phillipsburg, Stanhope, Rock Island
New Brunswick	Woodstock, St. Stephen

All other points provide service between 8 a.m. and 5 p.m., Monday through Friday. If you expect to reach the border after hours, check with the customs broker or importer to make sure a request for release has been sent to Canada Customs during regular office hours.

The operating hours of Canada Customs offices can change. For more information, contact the Canada Customs automated information line at 1-800-461-9999 and speak to an agent.

FOREIGN DRIVERS

Foreign drivers need a valid commercial driver's licence as well as proof of citizenship before they can enter Canada.

Canadian immigration laws classify foreign drivers with summary convictions or criminal records as inadmissible; such a driver will be denied entry into Canada. Foreign drivers should be aware that some crimes classified as misdemeanors elsewhere are considered to be criminal acts in Canada. The staff at a Canadian Consulate will be able to classify your conviction and tell you which one of the following methods to use to gain entry into Canada:

- **Temporary entry:** *Apply for a* Minister's Permit, *which allows you to make one trip. It could take several weeks to receive permission, so apply for the permit well ahead of time at a Canadian Consulate in the United States or at the Canada Immigration office at the border. A processing fee of $200 must be paid.*

- **Discretionary entry:** *You may also apply for* Discretionary Entry *at the border. This is a one-time permit that allows you into Canada for up to 30 days. A senior immigration officer may grant the permit after an interview, but entry is by no means guaranteed. A processing fee of $200 must be paid.*

- **Criminal Rehabilitation:** *Apply for* Criminal Rehabilitation *through a Canadian Consulate in the United States. Criminal rehabilitation is granted by the Minister of Immigration or by the Governor in Council, depending on the severity of your criminal record. A processing fee of $200 must be paid.*

If you require further information, consult *Persons Who are Inadmissible to Canada Because of Past Criminal Activity*, available from Citizenship and Immigration Canada at **www.cic.gc.ca**.

CANADIAN DRIVERS

Canadians re-entering Canada require a valid CDL as well as proof of citizenship.

3.2 CUSTOMS PERSONAL EXEMPTIONS

If you are a Canadian citizen returning to Canada, you may qualify for a personal exemption. You have to declare all of the goods that you obtained abroad such as purchases, gifts, prizes, or awards that you are bringing with you or that are being shipped to you. Remember to include goods still in your possession that you bought at a Canadian or foreign duty-free shop.

It is illegal to have alcohol in the cab of a commercial vehicle, even if it is allowed under your personal exemption.

Personal exemptions allow you to bring goods of a certain value back to Canada without paying duties and taxes. Except for restricted items, you can bring back any amount of goods as long as you are willing to pay duties and any other tax that applies, even if you do not qualify for any kind of personal exemption.

Time Out of Canada	Personal Exemption Unless otherwise specified, you can declare goods duty and tax exempt up to the following Canadian dollar amounts and conditions:
24 Hours	$50 in value, except alcohol and tobacco. If more than $50 in value, you will have to pay duties and tax on the full value.
48 hours	$200 in value, including alcohol and tobacco. You may have to make a written declaration.
7 days	$750 in value, including alcohol and tobacco. You will have to make a written declaration. To calculate the number of days out of Canada, do not include the day you left but do include the day you return as it is the dates that matter, not the amount of time.

These limits are valid at the time of publication. More details on personal exemptions can be found in the Canada Customs and Revenue Agency brochure, *I Declare*.

3.3 CLEARING CANADIAN CUSTOMS

It is very important for you to determine, in advance, if the shipment is going to be cleared inland or at the border.

Clearing Customs at an inland point: In order to clear Customs at an inland point, the carrier must be bonded to an authorized inland sufferance warehouse. If you expect to arrive after hours, make sure you are advised by your dispatch of where to take your in-bond freight. (See also section 3.4.)

Clearing Customs at the border: All forms are processed, the freight is examined, as required, and the goods are released before you are allowed to enter Canada with the shipment.

THE CUSTOMS DECLARATION PROCESS

Upon arrival at Customs

- *All persons on-board must report to Customs. The Customs inspector will ask several questions to determine your admissibility into the country. The inspector may ask to examine the cab and your shipment.*
- *If asked, show proof of citizenship or landed immigrant status (form IMM 1000).*
- *If you are entering any goods for personal use, including prescription drugs, weapons or pets, declare them now. Be prepared to pay duty and taxes, if required.*

- *Some weapons are restricted or prohibited entry into Canada. Declaration of weapons such as mace, switchblades or butterfly knives will result in the goods being held by Customs. Arrangements can be made to have these weapons returned, at your expense.*

Failure to declare personal goods may lead to severe penalties including seizure of the undeclared goods and the truck.

Customs examination at the border
This section applies to all clearance options, described in sections 3.4 and 3.5.

- *Your full co-operation is critical.*
- *If an inspector asks to examine the freight, open the trailer and any shipment on board as requested.*
- *At some locations, assistance for offloads may be available (e.g. tow motor, tools). If necessary, advise the broker that an examination is required.*
- *Once the examination is completed you will be notified that the goods are either cleared for delivery or further Customs action is required. If further action is required, follow the Customs inspector's instructions.*

Never deliver freight that has not been released by Customs. You will be fined and your truck and shipment may be seized.

3.4 DECLARING THE SHIPMENT IN-BOND

BONDED CARRIERS

If you are carrying a shipment that is moving in-bond to an inland sufferance warehouse for clearance, give the Customs inspector at the border a copy of the A8A(B) manifest. Wait for Customs instructions to proceed inland.

- *Park in the designated and secured area and report to the sufferance warehouse.*

- *Locate and give the customs broker all forms required by Customs. The broker will complete and submit the required customs release documents. This may end your responsibility; check with your dispatcher or customs broker for instructions.*

Between the border and the point of clearance, Customs seals must be intact, otherwise penalties will be issued. This means the trailer cannot be opened except by Canada Customs at the inland point of clearance.

- *If the inspector asks to see the freight or any particular shipment, open the trailer for examination. When satisfied, the inspector will release the shipment and notify the sufferance warehouse operator that the goods are released. The operator will in turn notify you that the goods have cleared Customs and may be delivered.*

POST AUDIT CARRIERS

Some carriers in Canada operate under the Canada Customs Post Audit System. This privilege, for which carriers must apply, allows carriers to proceed inland unsealed to their own break-bulk warehouse. En route to the warehouse, post audit carriers may also be permitted to deliver Customs-cleared shipments. Post audit carriers must print their own A8A manifests.

- *Give the Customs inspector at the border a copy of the A8A manifest. Wait for Customs instructions to proceed inland.*
- *Once Customs approves, the truck can deliver shipments that have been cleared or proceed directly to the post audit carrier's break-bulk warehouse, before reporting shipments that have not been cleared to the sufferance warehouse.*
- *The customs broker will complete and submit the required release documents for the shipments requiring clearance.*
- *The warehouse operator will be advised of the shipment status by Customs and will, in turn, notify the carrier that the goods have been released and may be delivered.*

3.5 CLEARING THE SHIPMENT AT THE BORDER

LINE RELEASE PROCEDURES

Several release options and procedures are available from Canada Customs to clear commercial goods. Most release documents are prepared ahead of time by the customs broker or importer and can be presented to Customs either in electronic format or on paper.

Your shipment may be eligible for *line release procedures.* Line release allows carriers to clear goods at the first point of contact with Customs, based on prepared information and prior approval. Through line release, Canada Customs can process shipments either prior to arrival at the border or have them pre-approved for import. There are four types of line release options: Pre-Arrival Review System (PARS); Frequent Importer Release System (FIRST); Advance Shipment Notification; and Customs Self-Assessment.

Pre-Arrival Review System (PARS) and Inland PARS (INPARS)	Under PARS/INPARS, the documentation is faxed or transmitted electronically to your customs broker before you arrive at the border. The broker submits the release request to Customs. This allows Customs to review the imported freight data/ documents and determine whether it should be examined when you arrive at the border.
	Upon arrival, you will provide the PARS document to Customs, who will scan the bar code to retrieve the Customs status. Then the inspector will make a release or examination decision.
	INPARS is similar, except that the freight is cleared at the inland sufferance warehouse, rather than at the border.
Frequent Importer Release System (FIRST)	FIRST applies to repetitive, low-risk shipments that do not normally require inspection or control by other government departments. These importers and their specific commodities have been pre-approved for entry into Canada.
	These can be released once Customs has verified the authorization numbers on the FIRST release form.
Customs Self-Assessment (CSA) Clearance Option	This new option (planned for fall 2001) will allow pre-approved importers, carriers and registered drivers (see box below) to present only three bar codes to obtain the clearance of the shipment. These bar codes will identify the importer, the carrier, and the approved driver.
	Customs will scan these bar codes to create a computerized passage history for the shipment, then authorize delivery of goods to the importer.
	The carrier/driver must obtain a proof of delivery from the importer.
	The new CSA clearance option is designed to make entering Canada simpler for low-risk drivers who transport goods for approved CSA carriers and importers. This initiative is sponsored by CCRA and Citizenship and Immigration Canada.
	Further information on CSA is available on the Canada Customs and Revenue Agency (CCRA) web site.

Automotive Release–Advance Shipment Notification (ASN) A49	Automotive shipments may qualify for clearance under Canada Customs Advanced Shipping Notification (ASN). Under ASN, automotive shipments being imported into Canada from the United States by DaimlerChrysler, Ford, or General Motors are expedited under this program.
	If the freight is cleared under ASN, you will be provided with an A49 form that must be properly completed before you get to the border.

- *Present the PARS, Frequent Importer Release System (FIRST), CSA bar codes (along with CSA-CDRP card) or the A49 form to the Customs inspector at the primary inspection booth. The inspector will input the data and will advise you that the goods are released, authorized for delivery (as per the CSA), or an examination is required.*

Drivers carrying CSA goods must be registered and approved by Canada Customs. Once approved, the driver will be issued a Commercial Driver Registration Program (CDRP) picture identification card that must be presented at the border when requesting clearance for CSA shipments. The application form is available on the Canada Customs Web site or from Canada Customs at all ports of entry.

- *Although line release simplifies border-crossing procedures, Customs inspectors may still examine the shipment at their discretion.*

RELEASE ON MINIMUM DOCUMENTATION (RMD)

If you are not utilizing one of the line release or in-bond options, you must stop at the inspection booth and give the appropriate forms required by Customs (e.g. A8A(B), invoices) to the Canada Customs inspector. The inspector will advise you where to report. For example, this may be the compound at the border or, in the case of the Detroit/Windsor border crossing, you will be sent to an off-site location under Customs control.

It is a serious offence under the Customs Act to leave the border and not report to the compound when requested to do so.

- *After reporting to Customs, locate the customs broker responsible for the shipment you are carrying and provide the broker with all the Customs-required documentation you have.*
- *The customs broker will prepare the proper release requests and submit them to Customs.*
- *Wait until you have been notified that the goods have been released by Customs.*

There may be several shipments ahead of you for Customs to process. Your patience is important at this stage.

3.6 CANADIAN CUSTOMS DOCUMENTATION

The following are frequently used documents in the Canadian Customs process that you should become familiar with. All forms are available at the CCRA Web site, www.ccra-adrc.gc.ca (see forms and publications).

Document Name	Description
A8A or A8A(B) *Cargo Control Document*	This is the official Canada Customs cargo control document (CCD) and is the carrier's report to Customs. The preparation of this form is the carrier's or driver's responsibility.
	The A8A is not required for shipments cleared by Canada Customs under Canadian line release programs (PARS, FIRST or A49).
A8B/7512B *Canada/U.S. Transit Manifest*	This form allows for a simplified two-stage process when reporting Canadian domestic goods that are being moved in transit through the United States and re-entering Canada, or U.S. goods moving in transit through Canada. This form refers to either the Canadian form A8B or the U.S. form 7512B, which are accepted interchangeably by both countries.
	Canada Customs requires that all trailers going in transit be sealed and the seal number be written on the A8B/7512B document before exiting Canada. Unsealed trailers, such as flatbeds, or undocumented or broken seals may lead to complete inspections of the trailer's contents when returning to Canada. The form must be presented and stamped at both the U.S. port of exit and the Canadian port of re-entry.
B13 or B13A *Export Declaration*	The shipper will provide you with the B13 or B13A if the goods you are carrying need to leave Canada under Customs export control. Such goods include aircraft, telecommunications equipment, satellites, simulators, ships or boats, uranium, or gold. This document is to be presented to Canada Customs before you leave Canada.

Bill of Lading (B/L)	The B/L is a form that you shouldn't be without. The shipper/carrier should provide one for each shipment in the load. The B/L describes the shipment details on board your truck.
Canada Customs Invoice, Commercial Invoice, Packing Slip, Pro-Forma Invoice	These forms describe the shipment and contain the necessary Customs information to assist in obtaining the release of goods into Canada.
	The Pro Forma is a company invoice, printed on official company paper, that represents the sale of goods to the purchaser.
Canadian Waste Manifest	If any shipment in your freight consists of hazardous wastes, you must give copies of the Canadian Waste Manifest to Canada Customs, along with a "Notice/Transit Notice" form and a letter to proceed, or a written confirmation letter. You must keep the original copies of these documents throughout the trip; only photocopies are left at the Customs office at the border.
E15 *Certificate of Export*	If you are carrying goods that need to be examined prior to their departure from Canada, they must be presented to Customs for certification along with the E15 document.
E29B *Temporary Admission Permit*	If any shipment in your freight is being temporarily imported into Canada and later exported, an E29B will be used to control their import and export. Affected goods include items for repair, and those used in visual and performing arts (e.g. pieces of art, musical instruments). The importer or broker will complete this form and a copy will accompany the goods. A security deposit or bond, equal to the amount of duties and taxes that would be charged if the goods were to be imported, may be demanded by Canada Customs.
	Upon export, a copy of E29B must be turned into Canada Customs. An examination/verification may be required to ensure that the security deposit is returned.
NAFTA Certificate of Origin	An importer must provide Canada Customs with a NAFTA Certificate of Origin for goods that qualify as originating under the North American Free Trade Agreement. A NAFTA Certificate of Origin may accompany the shipment.

FIREARMS AND AMMUNITION

If you are carrying firearms and/or ammunition, note that special clearance procedures apply. To avoid any delay, check with either Canada Customs or the related customs broker.

All visitors to Canada are required to declare their firearms to Canada Customs on the Non-Resident Firearm Declaration.

For further information, visit the Canadian Firearms Centre Web site at **www.cfc-ccaf.gc.ca.**

4. Entering the United States

4.1 INTRODUCTION

Before you leave for the United States, make sure that each shipment in your load is correctly described on the proper forms.

Before you arrive at the border, separate the U.S. import forms and Canadian Customs export forms for your easy access. Complete any form that is your responsibility, such as the 7533 Inward Cargo Manifest.

If you have Canada Customs forms (e.g. B13, E15), stop at the Canadian inspection location and give them to the inspector. If everything is in order, the inspector will tell you to drive through to U.S. Customs.

When you arrive at the border crossing, make sure to use the traffic lanes reserved for commercial vehicles.

Be aware that U.S. government officials perform periodic spot checks of logbooks, vehicle maintenance, licences and any other item related to the safe operation of your truck. Failure to meet safety regulations may bring fines, removal of vehicle plates and other penalties, which will result in lengthy and costly delays.

U.S. CUSTOMS OFFICES

All major U.S. Customs offices along the Canadian border are open 24 hours a day, 365 days a year for clearance of commercial shipments. Some smaller offices have limited clearance hours. In order to avoid any unnecessary delay, check in advance to verify the hours of operation before arriving at the Customs office.

FOREIGN DRIVERS

In most cases, foreign drivers can enter the United States provided they have a valid driver's licence and a passport or birth certificate to prove that they are Canadian or Mexican citizens. Permanent residents also have to show proof of their status.

Drivers with summary convictions usually do not have any problem crossing the U.S. border, provided they are not repeat offenders. If you have a summary conviction court record, give a copy of it to the U.S. Immigration officer at the border crossing point.

If you have a criminal record, contact the nearest U.S. Immigration office and apply for a waiver before trying to enter the United States. If you attempt to cross into the United States without such a waiver, you may be denied entry. Canadian drivers with criminal records who have received a pardon in Canada through the National Parole Board before attempting to cross the border are not normally denied entry into the United States.

U.S. DRIVERS

U.S. drivers re-entering the United States require a valid CDL as well as proof of citizenship and legal residence (such as a passport, birth certificate, naturalization certificate or valid permanent residency card).

4.2 CUSTOMS PERSONAL EXEMPTIONS

If you are a U.S. citizen returning to the United States, you may qualify for a personal exemption. Personal exemptions allow you to bring goods you purchased back to the United States without paying duties and taxes.

It is illegal to have alcohol in the cab of a commercial vehicle, even if it is allowed under your personal exemption.

Except for restricted items, you can bring back any amount of goods as long as you are willing to pay duties and any other tax that applies, even if you do not qualify for any kind of personal exemption.

Time Out of the United States	Personal Exemption Unless otherwise noted, you can declare goods duty and tax exempt up to the following U.S. dollar amounts and conditions:
Any length of stay	$200 in value, any number of times per year. If the total value of all the goods you are declaring is more than $200, you may have to pay duties on the full value.
48 hours	$400 in value, once every 30 days. You may have to make a written declaration.

These limits are valid at the time of publication. More details can be found in the U.S. Customs brochure, *Know Before You Go.*

4.3 CLEARING U.S. CUSTOMS FROM CANADA

It is very important for you to determine, in advance, if the shipment is going to be cleared at an inland bonded location or at the border.

Clearing Customs at an inland location: In order to clear Customs at an inland point, your freight must be bonded to an inland location. (See also section 4.4.)

Clearing Customs at the border: All forms are processed, the freight is examined, as required, and the goods are released before you are allowed to enter the United States.

THE CUSTOMS DECLARATION PROCESS

Upon arrival at Customs

- *The Customs inspector will ask you several questions to determine your immigration admissibility.*
- *If asked, show proof of citizenship and residency.*
- *If you are importing any goods for personal use, including prescription drugs and firearms, declare them now. Be prepared to pay duty and taxes, if required.*

Failure to declare personal goods may lead to severe penalties including seizure of the undeclared goods and the truck.

- *The inspector may ask to examine the cab and your shipment.*

Customs examination at the border

This section applies to all clearance options described in sections 4.4 and 4.5.

- *Your full co-operation at this point is critical.*
- *If an inspector asks to examine the freight, open the trailer and any shipment inside as requested.*

Never deliver freight that has not been released by Customs. You will be fined and your truck and shipment may be seized.

- *Once the examination is completed you will be notified that the goods are either cleared for delivery or further Customs action is required. If further action is required, follow the Customs inspector's instructions.*

4.4 DECLARING THE SHIPMENT IN-BOND

In order to move goods inland you must be a bonded carrier.

- *Give the U.S. Customs inspector at the booth your 7512, Transportation Entry and Manifest of Goods form.*
- *If the shipper did not provide a form 7512, park your truck in the designated area. Contact the customs broker, who will complete the 7512; be aware that the broker may charge a processing fee. You can also ask the Customs inspector for a 7512 and complete it yourself.*
- *The Customs inspector will stamp the 7512 "RELEASED" and return a copy to you. The inspector will seal the trailer, and give you an in-bond card and a form 7512C.*
- *Drive on to your inland point of clearance.*
- *At the point of clearance, park your trailer at the terminal or the designated area.*
- *Give the forms required by Customs to the broker, who will complete and process the necessary forms to obtain release of goods.*

4.5 CLEARING THE SHIPMENT AT THE BORDER

LINE RELEASE PROCEDURES

There are different release options and procedures available from U.S. Customs to clear commercial goods. The release documents are prepared ahead of time by the customs broker or importer.

Your shipment may be eligible for line release procedures. Line release is designed to allow Customs to process shipments either

prior to the arrival at the border or have them pre-approved for import. There are two line release options in the United States: the Pre-Arrival Processing System (PAPS), and the Border Release Screening and Selectivity Program (BRASS).

Pre-Arrival Processing System (PAPS)	Under PAPS, the customs broker transmits the necessary information to U.S. Customs before you arrive at the border. This allows Customs to review the imported freight and determine whether it should be examined when you arrive.
	Upon arrival, the inspector will take from you the PAPS manifest and scan the bar-coded information to retrieve the Customs status. Then the inspector will make a release or examination decision.
	PAPS is not yet available at all U.S. border locations.
Border Release Screening and Selectivity Program (BRASS)	BRASS enables customs brokers to apply to U.S. Customs to have specific, pre-approved commodities released at the primary inspection booth. Customs issues a common commodity code and the broker would prepare a C4 bar code card. The C4 is attached to the invoice and presented to Customs at the border.

- *Present the 7533 inward cargo manifest and the PAPS or BRASS line release bar codes to the Customs inspector at the inspection booth. The inspector will input the data and will advise you that the goods are either released or an examination is required.*
- *Although line release simplifies border-crossing procedures, Customs inspectors may still examine the shipment at their discretion.*

NON-LINE RELEASE PROCEDURES

Prepared carriers that have pre-processed shipments (e.g. PAPS bar codes), empties, line release, and in transits can proceed directly into the United States.

If line release or bonding is not being used, you must stop at the inspection booth and give the appropriate forms required by Customs (e.g. 7533 inward cargo manifest) to the U.S. Customs inspector. The inspector will advise you to report to the Customs compound at the border.

In Fort Erie, prior to crossing into Buffalo, a new Commercial Vehicle Processing Centre (CVPC) staging area has been set up to prepare drivers and their shipments for import into the United States.

- *Upon entering the CVPC, park your truck in the designated area.*
- *Contact the customs broker and turn over all the forms required by Customs.*

Unprepared carriers that have incomplete paperwork or have not faxed the bar-coded invoices to their U.S. Customs broker must enter the Commercial Vehicle Processing Centre for processing.

- *The customs broker will complete the forms and obtain the release of the goods.*
- *When you have the clearance papers, drive on to your destination.*

4.6 U.S. CUSTOMS DOCUMENTATION

The following are frequently used documents in the U.S. Customs process that you should become familiar with. All forms are available from the U.S. Customs Web site at **www.customs.ustreas.gov.**

Document Name	Description
4455 *Certificate of Registration*	If any shipment in your freight is being temporarily imported to Canada (for example, for repair), you will need the 4455. The shipper must identify all the goods requiring a 4455; U.S. Customs will inspect the goods on their return.
7512 *Transportation Entry and Manifest of Goods Subject to Customs Inspection and Permit*	If any shipment in your load is to clear inland, you will need the 7512.
	If your trailer is not sealed, U.S. Customs will seal it and give you an in-bond card and form 7512C. When you are hauling LTL shipments, the Customs inspector may place a big red in-bond sticker on the individual shipments and not seal the trailer.
	If you are moving goods in-bond within the United States, you will require both forms 7512 and 7512C.
	If the bonded shipment is moving *In Transit*, the combined forms are referred to as *IT Bond.*
	If the bonded shipment is moving in transit and for subsequent export, the combined forms are referred to as *T&E Bond.*

7525-V *Shipper's Export Declaration*	If any shipment is subject to one or more of the following conditions, you will require a 7525-V for each one: ▼ *Entering Canada to be stored and ultimately shipped to third countries that are not known at the time of export into Canada.* ▼ *Shipped in transit through Canada with destinations in foreign countries other than Canada.* ▼ *Requires a U.S. Department of Justice Drug Enforcement Administration export declaration (21CFR, part 1313).* ▼ *Subject to the International Traffic in Arms regulations; or* ▼ *Require a validated licence from the U.S. Department of Commerce.*
7533 *U.S. Inward Cargo Manifest*	The 7533 is required for each shipment imported into the United States. The shipper should complete this form; if the shipper hasn't, you must complete a 7533 from information on the Bill of Lading.
7512B/A8B *U.S./Canada Transit Manifest*	This form allows for a simplified two-stage process when reporting U.S. domestic goods that are being moved in transit through Canada. This form refers to either the U.S. form 7512B or the Canadian form A8B, which are accepted interchangeably by both countries. U.S. Customs requires that all trailers going in transit be sealed and the seal number be written on the 7512B/A8B document before exiting the United States. An unsealed trailer or undocumented broken seals may lead to a complete inspection of the trailer's contents upon your return to the United States. The form must be presented at both the Canadian port of exit and the U.S. port of re-entry.
Bill of Lading *(B/L)*	The B/L is a form that you shouldn't be without. The shipper/carrier should provide one for each shipment in the freight. The B/L describes the shipment on board your truck.
Commercial Invoice, Packing Slip, Pro-Forma Invoice	These forms describe the shipment and contain the necessary Customs information to assist in obtaining the release of goods into the United States. The Pro Forma is a company invoice, printed on official company paper, that represents the sale of goods to the purchaser.
NAFTA Certificate of Origin	An importer must provide U.S. Customs with a NAFTA Certificate of Origin for goods that qualify as originating under the North American Free Trade Agreement. A NAFTA Certificate of Origin may accompany the shipment.
Mill Specification Certificate	If you are carrying primary steel, the shipper or manufacturer must complete and give you this certificate. It is not required for steel products, such as steel machinery or parts.
Special Export Licences	If you are carrying goods that require a special export licence (such as defence or technological equipment), the shipper must provide the licence when you pick up the goods. It should be attached to the other forms and given to U.S. Customs at the border.

4.7 CLEARING U.S. CUSTOMS FROM MEXICO

CLEARING MEXICAN CUSTOMS: EXPORT REPORTING

- *Upon your arrival at the Mexican border, you will be met by a Mexican customs broker. Give your forms to the broker, who will process and present them to the Mexican Customs inspector.*

Most northbound shipments into the United States are dropped in the U.S. border zone by Mexican drayage[3] companies for transfer to a U.S. or Canadian carrier.

- *When instructed to do so, drive to the export inspection booth.*
- *If you receive authorization at the export inspection station, drive on across the border to U.S. customs. If not, follow instructions and drive to the designated inspection facility. Open your truck for inspection only when instructed to do so.*
- *Wait while the freight is unloaded and checked against the documentation by both the warehouse operator and Mexican Customs.*
- *If all is in order, follow the instructions for reloading the freight (you may have to do this yourself).*
- *If discrepancies are found, do not leave until the problem has been resolved and all penalties have been paid.*

CLEARING U.S. CUSTOMS: IMPORT REPORTING

Upon arrival at Customs

- *The Customs inspector will ask you several questions to determine your immigration admissibility.*
- *If asked, show proof of citizenship and residency.*
- *If you are importing any goods for personal use, including prescription drugs and firearms, declare them now. Be prepared to pay duty and taxes if required.*

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[3] See section 5.3 for details of drayage service.

- *The inspector may ask to examine the cab and your shipment.*
- *Present the forms required by Customs to the U.S. Customs inspector.*

Failure to declare personal goods may lead to severe penalties including seizure of the undeclared goods and the truck.

- *For in-bond movement, follow instructions in section 4.4.*
- *For border clearances, follow instructions for line release in section 4.5.*

5. Entering Mexico

5.1 INTRODUCTION

NAFTA provisions allowing for the cross-border delivery of freight by Canadian and U.S. carriers have not yet been implemented. When these provisions are implemented, carriers and drivers will have greater flexibility in terms of their ability to pick up and deliver freight in Mexico. Further information on this subject is available from the Canadian Trucking Alliance.

Procedures for clearing Mexican Customs are quite simple for drivers. Most freight destined for Mexico is transferred at the border zone by drayage services (see section 5.3). Customs brokers handle most transactions at the Mexican border and drivers are rarely involved in the paperwork. You must, however, have all the correct forms.

Canadian drivers are currently permitted to transport freight to and from terminals in Mexico's border zone under the terms of a Memorandum of Understanding (MOU) signed by the two countries in 1994. Authorization is required from the SCT. Further details on this MOU can be obtained from the Canadian Embassy in Mexico City.

- *Canadian drivers entering Mexico under the MOU require a valid commercial driver's licence and proof of Canadian citizenship, as well as documents indicating they are authorized drivers working for a carrier company. In order to avoid difficulties when entering Mexico, Canadian drivers should ensure they have no criminal record. Discuss other requirements that may be necessary with your employer.*
- *U.S. motor carriers are not currently permitted to transport freight into Mexico.*

MEXICAN CUSTOMS OFFICES

The hours that Mexican Customs offices are open vary from crossing to crossing. Generally, hours of operation at Mexican Customs offices coincide with those of U.S. Customs offices. Most major Mexican Customs offices are open 24 hours a day, 365 days a year except for clearance of commercial shipments. Some

smaller offices have limited clearance hours. In order to avoid any unnecessary delay, verify the hours of operation before arriving at the Customs office.

5.2 CUSTOMS PERSONAL EXEMPTIONS

Personal goods may be subject to duty. Carefully consult the Mexican Customs Declaration form that you will be provided with at Customs for details.

5.3 CLEARING MEXICAN CUSTOMS FROM THE UNITED STATES

For southbound freight, the load or entire trailer is typically dropped at a warehouse on the U.S. side of the border, where a Mexican tractor and driver will pick it up for transit across the border. This is referred to as drayage service.

- *Drayage service consists of private Mexican drivers who shuttle freight back and forth across the U.S.-Mexico border. The trailer carrying Canadian or U.S. freight entering Mexico is transferred onto another truck for the trip across the border. It is then transferred to a Mexican carrier for transportation to its destination in Mexico.*
- *Drayage carriers, who remain with the freight through inspections that may occur, charge a fee. The customs broker takes care of all costs.*
- *To use the drayage service, park your truck at the terminal, broker's office or yard, give your forms to the broker and await further instructions.*

Beyond the drayage service, and assuming foreign trucks are allowed to enter Mexico, there are two ways to handle the shipment at the Mexican border:

- *move the shipment in-bond to another inland point of clearance; or*
- *clear the shipment at the border.*

5.4 DECLARING THE SHIPMENT IN-BOND

The procedures for shipping freight in-bond into Mexico are similar to those in Canada and the United States. The key differences are:

- *the bond is posted by either the importer or exporter, not by the carrier; and*
- *carriers must be registered with Mexican Customs.*

Any bonded trailer entering Mexico must exit within 30 days. A bonded trailer can enter Mexico at one point and leave Mexico at another point.

Upon your arrival at the border and after clearing U.S. Customs, you can drive on to Mexican Customs.

- *You will be met by a Mexican customs broker. Give your forms to the broker who will prepare the necessary documents required by Customs and submit them to the Mexican Customs inspector for the in-bond movement.*
- *When instructed to do so, drive to the inspection station.*
- *If you get authorization at the Customs inspection station, drive on to the inland designated terminal. If you do not receive authorization to proceed, your truckload and documents will be inspected. Follow the instructions from your customs broker and Mexican Customs.*

5.5 CLEARING THE SHIPMENT AT THE BORDER

Canadian drivers may take the freight through the border themselves if their company has made the arrangements under the Canada – Mexico Memorandum of Understanding.

Before exiting the United States to Mexico, you must show the U.S. Customs inspector your Bill of Lading.

- *The inspector will process the form and return the appropriate copies.*

- *When instructed to do so, drive on to Mexican Customs with the prepared documents.*

Your freight will then be processed by the Mexican Customs system for random selection.

- *If your freight is authorized, the freight can move into Mexico without inspection of either freight or forms. Otherwise, your freight and documentation will be given a full inspection (10% of all traffic is randomly chosen for inspection).*

5.6 MEXICAN CUSTOMS DOCUMENTATION

All forms must be filled out in Spanish or, if provided in English, accompanied by a Spanish translation.

Before drivers can cross into Mexico, two key forms must be presented to validate that the driver, the vehicle, and the carrier company can operate within Mexico. These forms, available from the SCT, are:

- *DGTT-NO1 (Solicitud de permiso para el autotransporte federal); and*
- *DGTT-N20 (Declaracion de caracteristicas y estado fisico de vehiculos de carga).*

After these forms have been validated, you should provide Customs with three copies of the commercial invoices that show the consignee's name and address and a description of the freight (including the total number and type of containers, identification numbers, value and insurance costs). *If the commercial invoice is not completed properly, penalties may be applied.*

When transporting freight across the U.S.-Mexican border, the driver must have two sets of the forms that are required by Customs.

DOCUMENTATION REQUIREMENTS

The most common forms required by Mexican Customs are:

- *Assignment Letter*
- *Bill of Lading*
- *Packing Slip*
- *Composition Analysis*
- *Invoice*
- *Labelling Waiver Declaration*
- *NAFTA Certificate of Origin*
- *NOM (Standards) Certificates*
- *Phytosanitary Certificate*
- *Quality Certificate*
- *Serial Number List*
- *Textile Composition Declaration*
- *Value at Customs Manifest*
- *Value at Customs Worksheet*

6. Contacts and Web Site Information

Trade Associations

Contact	Telephone	Fax	Web Site
American Trucking Associations	(703) 838-1700	(703) 548-9875	www.truckline.com
Association of International Customs and Border Agencies	(613) 236-9039	(613) 236-9175	www.aicba.org
CANACAR (Mexico)	(52-5) 212-1775	(52-5) 211-5568	www.canacar.com.mx
Canadian Society of Customs Brokers (CSCB)	(613) 562-3543	(613) 562-3548	www.cscb.ca
Canadian Trucking Alliance	(613) 236-9426	(613) 563-2701	www.cantruck.com

Government Departments and Agencies

Government of Canada	www.canada.gc.ca
Canada Customs and Revenue Agency (CCRA)	www.ccra-adrc.gc.ca
Citizenship and Immigration Canada (CIC)	www.cic.gc.ca
Canadian Food Inspection Agency (CFIA)	www.cfia-acia.agr.ca
Transport Canada	www.tc.gc.ca
Canadian Firearms Centre	www.cfc-ccaf.gc.ca
Department of Foreign Affairs and International Trade (DFAIT)	www.dfait-maeci.gc.ca
Canadian Embassy in Washington, D.C.	www.canadianembassy.org
Canadian Embassy in Mexico City	www.canada.org.mx

Government of the United States	www.firstgov.gov
U.S. Customs	www.customs.ustreas.gov
Immigration and Naturalization Service	www.ins.usdoj.gov
Federal Motor Carrier Safety Administration	www.fmcsa.dot.gov
Department of Agriculture	www.usda.gov
Food and Drug Agency	www.fda.gov
Department of State	www.state.gov
Department of Transportation	www.dot.gov

Government of Mexico	www.presidencia.gob.mx
Customs	www.shcp.gob.mx
Secretariat of Agriculture, Livestock and Rural Development (SAGAR)	www.sagar.gob.mx
Ministry of Communications and Transport (SCT)	www.sct.gob.mx
Ministry of the Economy (formerly SECOFI)	www.economia.gob.mx

NOTE: A list of frequently used phone numbers is posted on the Web sites of the Canadian Trucking Alliance (www.cantruck.com) and the Department of Foreign Affairs and International Trade (www.dfait-maeci.gc.ca).

CANADIAN CONSULAR SERVICES

Canada's consular services operate 24 hours a day, seven days a week and provide emergency services to Canadians who may encounter problems such as illness, accident or death. If you are in the United States or Mexico and need assistance, call one of the consulates listed below, depending on your location.

Canadian Consulates in the United States	
Atlanta: (404) 532-2000	Los Angeles: (213) 346-2720/1
Boston: (617) 262-3760	Minneapolis: (612) 332-7486
Buffalo: (716) 858-9500	New York: (212) 596-1628
Chicago: (312) 616-1860	Seattle: (206) 443-1777
Dallas: (214) 922-9806	Washington, D.C.: (202) 682-1740
Detroit: (313) 567-2208	

To obtain further information from the Internet about Canadian consulates in the United States, visit www.dfait-maeci.gc.ca/can-am/menu-e.asp.

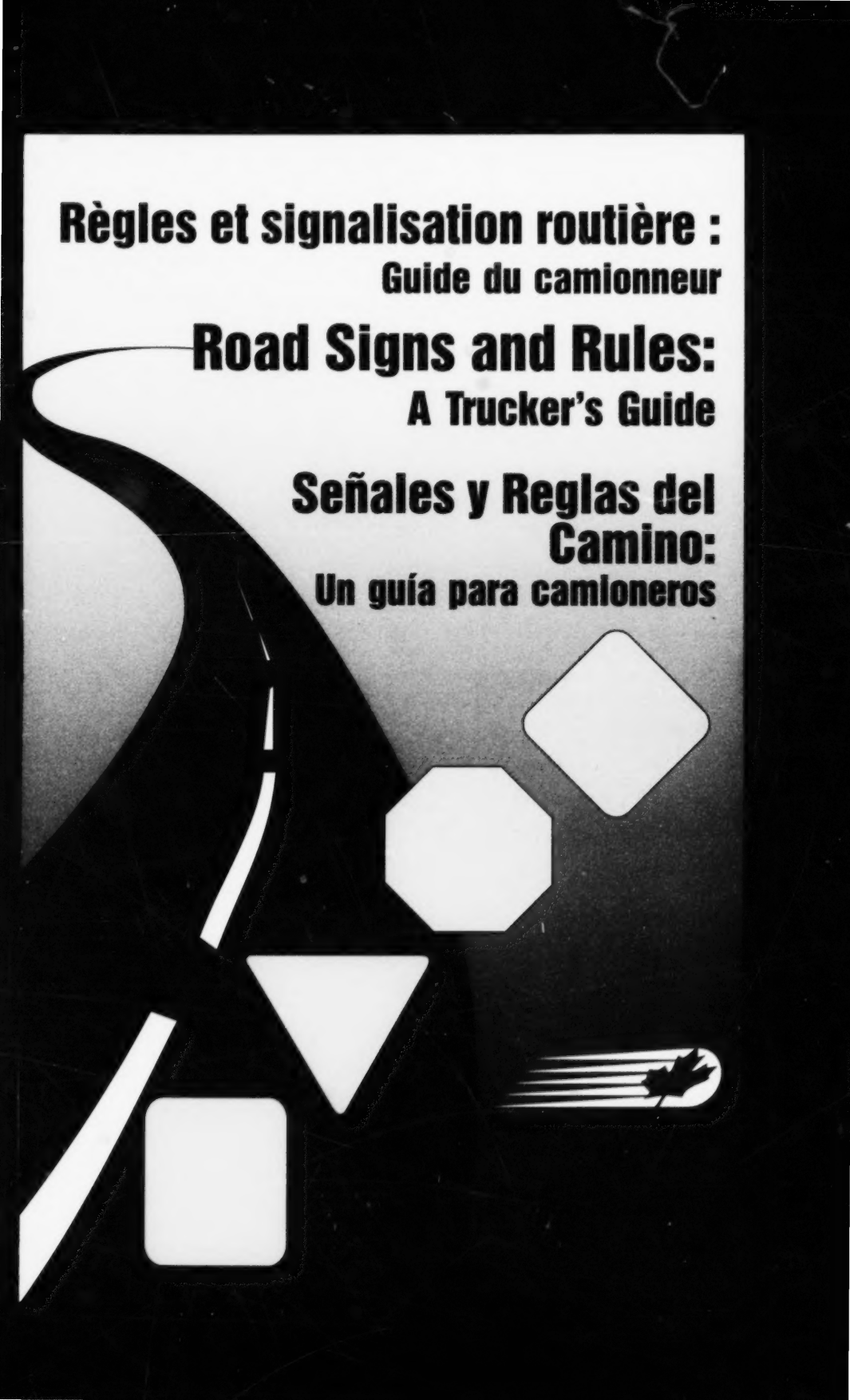
Canadian Consulates in Mexico

First call the Canadian Embassy in Mexico City, regardless of your location: 52-24-7900 (within Mexico City) or toll-free (elsewhere in Mexico): 01-800-706-29-00. You will then be directed to the Consulate for the area in which you are located.

Règles et signalisation routière :
Guide du camionneur

Road Signs and Rules:
A Trucker's Guide

Señales y Reglas del Camino:
Un guía para camioneros



Road Signs and Rules:
A Trucker's Guide to North America

Published by

Canadian Trucking Association

in association with

Transport Canada Transports Canada

March 1996

While determined efforts have been made to ensure the accuracy of this Guide, the information and recommendations contained herein are based on a simplified interpretation of signage standards and road transportation regulations as published by the governments of Canada, the United States and Mexico.

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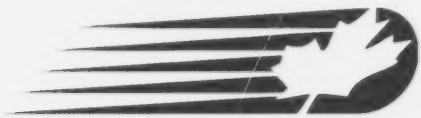
Règles et signalisation routière:

Guide du camionneur de l'Amérique du Nord



Publié par

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en collaboration avec

Transports Canada Transport Canada

Mars 1996

Bien que l'exactitude de cet ouvrage ait été attentivement vérifiée, il n'en reste pas moins que les renseignements et recommandations qu'il renferme reposent sur des interprétations simplifiées de règlements complexes. L'Association canadienne du camionnage dénie donc toute responsabilité quant à la précision du contenu et aux conséquences pouvant résulter de son utilisation.

L'Association canadienne du camionnage rejette également toute forme de représentation explicite ou implicite en rapport avec les informations fournies dans le présent document. Il est du devoir des camionneurs qui voyagent dans différents pays de connaître parfaitement les règlements en vigueur dans ces pays.

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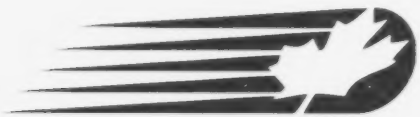
ISBN 0-920969-62-3

Señales y Reglas del Camino: Un guía norteamericano para camioneros



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la Asociación Canadiense de Autotransporte de Carga

en asociación con

el Departamento de Transporte de Canadá

Transport Canada Transports Canada

Marzo 1996

Mientras esfuerzos determinados se han hecho para asegurar que este Guía sea exacto, la información y recomendaciones contenido dentro esta publicación están basados en una interpretación simplificada de normas de señalizacion y de reglamentos de transporte de caminos como están publicados por los gobiernos de Canadá, los Estados Unidos de América y México.

La Asociación Canadiense de Autotransporte de Carga (Canadian Trucking Association) nega toda responsabilidad, expresada or implicada, con respeto a la información publicada dentro este Guía. En todos los casos, personas debieran referir al texto completo de las leyes, normas y reglamentos que aplican.

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Introduction

There has been a steady increase in commercial traffic between Canada, the United States of America and Mexico in the past couple of decades. With the North American Free Trade Agreement (NAFTA), this traffic is expected to grow as more drivers haul loads between the three countries.

When transporting cargo across international borders, you must be aware of the differences in signage and regulations in each jurisdiction that you drive through. *Road Signs and Rules: A Trucker's Guide to North America* provides an overview of some of the important Canadian, American and Mexican laws that affect drivers who operate commercial motor vehicles. The guide is divided into two sections:

1) The first section deals with common road signs and shows how they are depicted differently in Canada, the United States and Mexico. This information is particularly important for drivers whose first language is not English since many American road signs use English text with no pictures. Signs with the same meaning are shown for each country (for example a "Stop" sign) so that you can compare them to each other.

2) The second section uses a series of tables to show how basic rules of the road are applied in Canada, the U.S. and Mexico. Information is provided for individual American states and Canadian provinces as the rules are set at the local level in those countries. It is given only once for Mexico since the regulations are set at the federal level in that country.

The Canadian Trucking Association recognizes that transporting international cargo involves more than just understanding road signs and rules. You must also be familiar with other laws governing the commercial transportation of goods such as the Federal Hours of Service, weights and dimensions and on-road enforcement of safety standards. In addition, you need to know how to negotiate your way

through the various border crossing points, including what paperwork to have ready and where and when to go to have your cargo processed. Finally, if you are transporting dangerous goods internationally, you must know and understand each country's rules in this area in order to avoid problems with the local authorities. To keep you up-to-date on all the latest regulations and information in trucking, CTA publishes the following guides:

National Safety Code: A Trucker's Guide

Crossing International Borders: A Trucker's Guide; and

Dangerous Goods: A Trucker's Guide

Contact your local provincial trucking association, or CTA directly (613-236-9426), for more details.

Introduction

Le volume de trafic commercial entre le Canada, les États-Unis et le Mexique a augmenté de façon constante au cours des deux dernières décennies. Avec l'Accord de libre-échange nord-américain, ce trafic est appelé à augmenter davantage compte tenu du nombre accru de chauffeurs qui franchissent la frontière des trois pays.

Faire du transport international de marchandises exige que l'on connaisse la signalisation et la réglementation de chaque province, État ou pays où l'on entre. Le Guide *Règles et signalisation routière : Guide du camionneur de l'Amérique du Nord* vous donne un aperçu des principales lois canadiennes, américaines et mexicaines s'appliquant aux chauffeurs de véhicule commercial. Le guide comprend deux sections :

1) La première section traite de panneaux de signalisation communs et montre comment ils sont représentés différemment au Canada, aux États-Unis et au Mexique. Cette information est particulièrement importante pour les chauffeurs dont la langue maternelle n'est pas l'anglais puisque de nombreux panneaux américains ne contiennent que du texte et pas d'image. Les panneaux ayant la même signification sont indiqués pour chaque pays (par exemple, le panneau d'arrêt) de façon à vous permettre de les comparer entre eux.

2) Dans la deuxième section, on se sert d'une série de tableaux pour montrer l'application de certaines règles de base au Canada, aux États-Unis et au Mexique. L'information est fournie séparément pour chaque État américain et province canadienne puisque les règles y sont établies à l'échelle locale. Quant au Mexique, l'information n'est présentée qu'une fois puisque la réglementation est de compétence fédérale dans ce pays.

L'Association canadienne du camionnage (ACC) reconnaît que le transport de marchandises entre divers pays exige plus que la simple connaissance des panneaux de signalisation et des règles

particulières en vigueur. La connaissance d'autres lois sur le transport commercial de marchandises s'impose traitant notamment des heures de service, des poids et dimensions et de l'application des normes de sécurité routière. Qui plus est, il vous faut connaître les formalités à respecter aux frontières, y compris les formulaires nécessaires et les procédures relatives au traitement de votre cargaison. Enfin, si vous transportez des marchandises dangereuses entre divers pays, vous devez bien comprendre les règles de chaque pays à ce chapitre afin d'éviter les problèmes avec les autorités locales. Vous pourrez trouver des renseignements sur la réglementation et l'information la plus récente dans le domaine du camionnage dans les publications suivantes de l'Association canadienne du camionnage :

National Safety Code : A Trucker's Guide;

Frontières simplifiées : Guide du camionneur;

Marchandises dangereuses : Guide du camionneur.

Communiquez avec votre association provinciale du camionnage ou l'ACC directement (613-236-9426) pour de plus amples renseignements.

Introducción

En las últimas décadas, el comercio transportista norteamerico ha aumentado entre Canadá, los Estados Unidos de América, y México. Ahora con el Tratado de Libre Comercio de América del Norte (TLCAN), el volumen comercial está anticipado de crecer más, con más camioneros recorriendo cargas entre los tres países.

Cuando transportas carga através fronteras internacionales, tienes que saber las diferencias de señalización y reglamentos dentro cada jurisdicción que recorres. *Señales y Reglas del Camino: Un guía norteamericano para camioneros* da un resumen de ciertas leyes canadienses, americanas, y mexicanas importantes que afectan los camioneros de vehículos comerciales. Este guía esta dividido en dos secciones:

1) La primera sección muestra las señales comunes del camino y como Canadá, los Estados Unidos y México los representan. Esta información es especialmente importante para camioneros que no tienes inglés como su lengua materna. Muchas señales americanas usan texto en inglés con ninguna ilustración. Señales con el mismo sentido están ilustrados para cada país (por ejemplo, la señal "Alto") así que se pueda comparar uno al otro.

2) La segunda sección tiene una serie de tablas que indica como las reglas básicas del camino se aplican en Canadá, los Estados Unidos y México. Información de las reglas para varios estados americanos y provincias canadienses están marcados. Para México, solamente los reglamentos federales están descrito.

Road Signs

Road signs are important tools used by transport authorities to ensure the safe movement of vehicles along highways and other urban and rural routes. Drivers who transport goods across international borders must be familiar with the different signs that are used in each country. While there has been movement across North America towards standardized signage which uses pictures, many areas (particularly in the United States) still use signs that display only text. If you are not fluent in the language that is used on these signs (usually English), you could run the risk of misunderstanding a sign and unintentionally committing an infraction.

This section presents some of the more common road signs that are depicted differently in Canada, the United States and Mexico. The name of each sign is given in English, French and Spanish, followed by the actual signs and a label which indicates the country they are used in.

Please note that Canada and Mexico use the metric system and the United States uses the imperial system of measurement as follows:

	Canada	United States	Mexico
Distance	kilometers	miles	kilometers
Speed	kilometers/hour	miles/hour	kilometers/hour
Weight	1 metric tonne = 2200 lbs	1 imperial ton = 2000 lbs	1 metric tonne = 2200 lbs

Signalisation routière

Les panneaux de signalisation sont d'importants outils utilisés par les responsables du transport routier pour assurer le trafic sécuritaire de véhicules sur les autoroutes et autres routes urbaines et rurales. Les chauffeurs qui transportent des biens entre pays doivent être familiers avec les différents panneaux de signalisation utilisés dans chaque pays. Bien qu'on ait réalisé des progrès en Amérique du Nord en matière d'uniformisation de la signalisation faisant appel aux images, plusieurs régions (surtout aux États-Unis) continuent d'employer des panneaux qui ne contiennent que du texte. Si vous n'êtes pas familier avec la langue utilisée sur ces panneaux (habituellement l'anglais), vous courez le risque de mal interpréter un panneau et de commettre une infraction à votre insu.

La présente section présente un certain nombre de panneaux de signalisation communs qui sont représentés différemment au Canada, aux États-Unis et au Mexique. Le nom du panneau est donné en anglais, en français et en espagnol suivi du panneau comme tel et du pays dans lequel il est utilisé.

Prière de noter que le Canada et le Mexique utilisent le système métrique et les États-Unis emploient l'unité de mesure anglo-saxonne comme suit:

	Canada	**États-Unis**	**Mexique**
Distance	kilometres	milles	kilometres
Vitesse	kilometres/heure	milles/heure	kilometres/heure
Poids	1 tonne métrique = 2200 lbs	1 tonne anglo-saxonne = 2000 lbs	1 tonne métrique = 2200 lbs

Señales

Señales son instrumentos importantes que las autoridades transportistas usan para obtener el movimiento seguro de vehículos através carreteras y otros caminos urbanos y rurales. Camioneros que recorren carga através fronteras internacionales tienen que estar familiarizados con las diferentes señales en cada país. Mientras ha progresado mucho la normalización de la señalización ilustrado, muchos lugares (específicamente en los Estados Unidos) todavía usan señales con texto solamente. Si no dominas la lengua que encuentras estas señales, podrás correr el riesgo de malinterpretar una señal y cometer una infracción.

Esta sección presenta unas de las señales más comunes en el camino que se encuentra diferente en Canadá, los Estados Unidos y México. El nombre de cada señal está escrito en inglés, francés y español, seguido por las señales mismas y marcados indicando en que país se usa.

Por favor nota que Canadá y México usa el sistema métrico; los Estados Unidos de América usa el sistema imperial.

	Canadá	Estados Unidos	México
Distancia	kilòmetros	millas	kilòmetros
Velocidad	kilòmetros/hora	millas/hora	kilòmetros/hora
Peso	1 tonelada métrica = 2200 lbs	1 tonelada imperial = 2000 lbs	1 tonelada métrica = 2200 lbs

Regulatory/Prohibitive Signs
Signalisation de prescription
Señales Restrictivas

1) Stop / Arrêt / Alto

Canada/Canadá
United States
États-Unis
Estados Unidos

Canada - Québec
Canadá - Quebec

Mexico
Mexique
México

2) Yield / Cédez le passage / Ceda el paso

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

3) Do Not Enter / Entrée interdite /
Prohibido seguir de frente

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

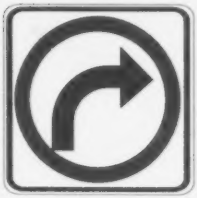
4) Must Turn Left / Obligation de tourner à gauche /
Solo vuelta izquierda

Canada
Canadá

United States
États-Unis
Estados Unidos

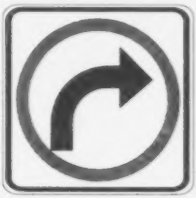
Mexico
Mexique
México

5) Must Turn Right / Obligation de tourner à droit /
Vuelta continua derecha



Canada
Canadá

United States
États-Unis
Estados Unidos

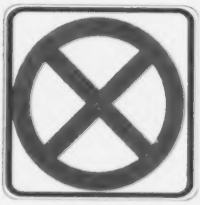


Mexico
Mexique
México

6) No Stopping/No Standing at Anytime / Arrêt interdit / No Parar

Canada
Canadá

United States
États-Unis
Estados Unidos



Mexico
Mexique
México

7) Trucks Prohibited / Accès interdit aux camions / Prohibido el paso a vehículos pesados

Canada
Canadá

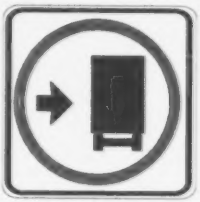
United States
États-Unis
Estados Unidos

Mexico
Mexique
México

8) Truck Lane Restriction / Accès interdit aux camions dans une voie / Camiones conserve su derecha

Canada
Canadá

United States
États-Unis
Estados Unidos



Mexico
Mexique
México

9) Keep Right / Contournement d'obstacles par droit / Circulación

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

10) Maximum Speed Limit / Limite de vitesse / Límite de velocidad

Canada
(kilometers/hour)
(kilometres/heure)
Canadá
kilòmetros/hora

United States
(miles/hour)
États-Unis
(milles/heure)
Estados Unidos
(millas/hora)

Mexico
(kilometers/hour)
Mexique
(kilometres/heure)
México
(kilòmetros/hora)

11) Truck Maximum Speed Limit/Limite de vitesse pour les camions/Velocidad Màxima Para Camiones

Canada
(kilometers/hour)
(kilometres/heure)
Canadá
kilòmetros/hora

United States
(miles/hour)
États-Unis
(milles/heure)
Estados Unidos
(millas/hora)

12) Maximum Weight Limit / Limitation de poids / Peso restringido

Canada (metric tonnes)
(tonnes métrique)
Canadá (toneladas métricas)

United States (imperial tons)
États-Unis (tonnes anglo-saxonne)
Estados Unidos (toneladas imperiales)

Mexico (metric tonnes)
Mexique (tonnes métrique)
México (toneladas métricas)

13) Parking Permitted / Stationnement autorisé / Estacionamiento permitido en corto periodo dentro de un horario

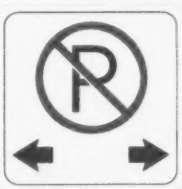
(Quebec)

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

14) Parking Prohibited / Stationnement réglementé / Prohibido estacionarse

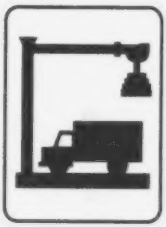


Canada
Canadá

United States
États-Unis
Estados Unidos

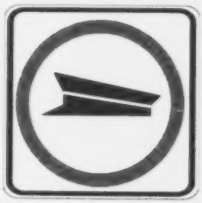
Mexico
Mexique
México

15) Weight/Inspection Station / Postes de contrôle du transport routier / Inspección



Canada
Canadá

United States
États-Unis
Estados Unidos



Mexico
Mexique
México

Warning Signs
Signalisation de danger
Señales Preventivas

1) Road Narrows / Chaussée rétrécie / Estrechamiento simétrico

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

2) Right Lane Ends / Perte de voies à droit / Estrechamiento ásimetrico

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

3) Maximum Width / Anchura libre

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

4) Low Clearance / Signal avancé de limitation de hauteur/ Altura libre

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

5) Divided Highway / Chaussées separées / Camino dividido

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

6) Railway Advance Warning / Signal avancé d'un passage à niveau / Cruce de ferrocarril

Canada
Canadá

United States
États-Unis
Estados Unidos

Mexico
Mexique
México

Rules of the Road

This section deals with various rules of the road in Canada, the United States of America and Mexico. The information is presented in a table format for quick reference and ease of use.

Unlike road signs, the rules of the road in Canada and the U.S. are not set by the federal motor transport authority. Each U.S. state and Canadian province decides individually on how to apply legislation governing the operation of motor vehicles. For this reason, the tables in this section provide information for specific states and provinces. There are similarities between the jurisdictions. For instance, all local authorities require you to carry proof of insurance for your motor vehicle. They also permit the use of headlights during daylight hours and require them to be on at night. But while most of them allow you to use foglights and/or spotlights, there are different rules as to when and how many can be used at a time. In some jurisdictions you can have up to two foglights and two spotlights operating simultaneously while in other places you may use only one set of lights at a time. In Mexico, the rules are set by the federal government and apply equally throughout the highway system. The tables list information for this country in one entry.

Speed limits change quite often between jurisdictions. Make sure you are aware of the different speed limits on every highway and/or secondary road along your route. Be aware that some areas have different speed limits for passenger and commercial vehicles. In addition, Canada and Mexico use the metric system of measurement and speed limits are posted in kilometers per hour. The U.S. uses the imperial system so its speed limits are posted in miles per hour. Finally, two important federal laws in the U.S. to remember are:

- the use of radar detectors in commercial vehicles is prohibited; and
- any accident that requires a vehicle to be towed, regardless of the dollar amount of the damage, must be reported to the police.

This section covers those jurisdictions with the highest percentage of international traffic. Information is provided for the following geographic areas:

Canada

- Alberta (AB)
- British Columbia (BC)
- Manitoba (MB)
- New Brunswick (NB)
- Nova Scotia (NS)
- Ontario (ON)
- Quebec (QC)
- Saskatchewan (SK)

United States

- Arizona (AR)
- California (CA)
- Idaho (ID)
- Maine (ME)
- Michigan (MI)
- Minnesota (MN)
- Montana (MT)
- New Hampshire (NH)
- New Mexico (NM)
- New York (NY)
- North Dakota (ND)
- Ohio (OH)
- Oregon (OR)
- Pennsylvania (PA)
- Texas (TX)
- Vermont (VT)
- Washington (WA)
- Wisconsin (WI)

Mexico - Most highways in Mexico fall under federal jurisdiction so the same rules apply throughout the country.

Remember that you must be able to communicate with the authorities in every jurisdiction that you drive through. A poor understanding of the local language is not considered to be a good defence if you are charged with a violation or offence.

Each table on the following three pages lists several items and indicates how they are applied in each jurisdiction. The ✓ symbol means that the item is applied, the ✖ symbol means that the item is not applied. In some cases, there are exceptions to how an item is applied. These are indicated by either the ☑ symbol (applicable with exceptions) or the ☒ symbol (not applicable with exceptions). For example, mandatory stopping at railroad crossings is not required in California, but there are exceptions to this rule and you should be aware of them. Refer to the local authority (provincial or state department of transport or the police) in each jurisdiction for more information.

	Seat Belt Use Mandatory	Passing on Right Permitted	Left Lane Restricted to Passing	Stop at RR Crossings Required	Windshield Stickers Permitted
CANADA					
AB	✓	☑	×	☒	✓
BC	✓	×	×	☒	☑
MB	✓	×	×	☒	☑
NB	✓	☑	☑	☒	×
NS	✓	☑	✓	☒	☑
ON	✓	☑	×	☒	☑
QC	✓	☑	×	☒	☑
SK	✓	☑	×	☒	☑
UNITED STATES					
AR	✓	☑	×	☒	×
CA	✓	☑	×	☒	☑
ID	✓	☑	✓	✓	×
ME	✓	☑	✓	☒	☑
MI	✓	☑	✓	☒	×
MN	✓	☑	×	✓	×
MT	✓	☑	×	✓	☑
NH	✓	☑	×	☒	×
NM	✓	☑	×	☒	☑
NY	✓	☑	×	☒	×
ND	✓	☑	×	×	✓
OH	✓	☑	✓	☒	☑
OR	✓	☑	✓	☒	×
PA	✓	☑	×	☒	×
TX	✓	☑	×	☒	☑
VT	✓	☑	×	☒	✓
WA	✓	☑	✓	☒	×
WI	✓	☑	×	☒	×
MEXICO	✓	☑	✓	☒	×

Legend: × = No ☒ = No with exceptions ✓ = Yes ☑ = Yes with exceptions

	Right Turn on Red Permitted	Left Turn on Red Permitted	Use of Head Sets Allowed	Open Alcohol Containers Allowed	Hazard Warning Lights Permitted
CANADA					
AB	✓	☑	✓	×	×
BC	✓	☑	✓	×	×
MB	✓	☑	×	×	☑
NB	✓	×	✓	×	×
NS	✓	☑	✓	☑	✓
ON	✓	☑	✓	×	×
QC	×	×	×	×	☑
SK	☑	×	✓	×	✓
UNITED STATES					
AR	✓	☑	✓	✓	☑
CA	✓	☑	×	×	☑
ID	✓	☑	✓	×	×
ME	✓	☑	✓	×	☑
MI	✓	☑	✓	×	✓
MN	✓	☑	×	×	☑
MT	✓	☑	✓	✓	☑
NH	✓	☑	✓	×	✓
NM	✓	☑	✓	×	☑
NY	☑	☑	☑	✓	×
ND	✓	☑	✓	×	✓
OH	✓	☑	×	×	✓
OR	✓	☑	✓	×	✓
PA	✓	☑	×	×	✓
TX	✓	☑	✓	✓	✓
VT	✓	×	✓	☑	✓
WA	✓	☑	×	×	✓
WI	✓	☑	✓	×	✓
MEXICO	✓	☑	✓	✓	☑

	Emergency CB Ch. 9 Monitored	$ Damage to Report an Accident	Radar Detectors Permitted	Parking on Highway Allowed
CANADA				
AB	✓	$1,000	✓	×
BC	×	$1,000	✓	×
MB	×	$1,000	×	×
NB	×	$1,000	×	☑
NS	×	$500	×	×
ON	✓	$700	×	☑
QC	✓	$500	×	×
SK	✓	$500	✓	☑
UNITED STATES				
AR	☑	$0	×	×
CA	✓	$500	×	×
ID	☑	$750	×	×
ME	✓	$500	×	×
MI	☑	$400	×	×
MN	☑	$1,000	×	☑
MT	☑	$400	×	×
NH	✓	$1,000	×	×
NM	☑	$500	×	×
NY	✓	$1,000	×	×
ND	☑	$1,000	×	×
OH	☑	$400	×	×
OR	✓	$500	×	×
PA	✓	$0	×	×
TX	×	$500	×	×
VT	×	$500	×	×
WA	✓	$500	×	×
WI	✓	$500	×	☑
MEXICO	×	$0	×	☒

Legend: × = No ☒ = No with exceptions
✓ = Yes ☑ = Yes with exceptions

Règles de la route

Cette section traite de diverses règles de la route au Canada, aux États-Unis et au Mexique. L'information est présentée sous forme de tableau pour faciliter la consultation.

Contrairement à la signalisation routière, les règles de la route au Canada et aux États-Unis ne sont pas de compétence fédérale. Chaque État américain et province canadienne décide individuellement de l'application des lois relatives à la conduite de véhicules automobiles. Pour cette raison, les tableaux de la présente section fournissent l'information propre aux États et provinces en particulier. On retrouve des similarités entres les provinces et États. Par exemple, toutes les administrations locales exigent une preuve d'assurance du véhicule automobile. Elles permettent également l'utilisation de feux de circulation de jour, mais l'obligent de nuit. Mais, bien que la plupart permettent l'utilisation de feux antibrouillard et/ou de phares, il existe des règles différentes quant à combien de feux ou phares peuvent être utilisés à la fois et quand. Dans certains États ou provinces, vous pouvez utiliser jusqu'à deux feux antibrouillard et deux phares en même temps alors que dans d'autres endroits, une série de phares à la fois seulement est permise. Au Mexique, les règles sont établies par le gouvernement fédéral et s'appliquent également dans tout le réseau routier. Les tableaux indiquent l'information pour ce pays sous une entrée unique.

Les limitations de vitesse changent assez souvent d'un pays, d'un État ou d'une province à l'autre. Assurez-vous de tenir compte des différentes limites affichées sur les routes et/ou artères secondaires que vous parcourez. Sachez que certaines régions ont une limite de vitesse différente pour les véhicules commerciaux et les véhicules de tourisme. Qui plus est, le Canada et le Mexique utilisent le système métrique et indiquent donc les limitations en kilomètre par heure. Aux États-Unis, les panneaux indiquent les limites de vitesse en mille par heure à cause de l'unité de mesure anglo-saxonne. Enfin, il est important de tenir compte des deux points suivants des lois fédérales américaines:

- l'interdiction d'utiliser un détecteur de radar dans les véhicules utilitaires;

- l'obligation de signaler à la police tout accident nécessitant le remorquage d'un véhicule, quel que soit le montant en dollar des dommages.

Nous avons inclus dans cette section les provinces et États ayant le pourcentage de trafic international le plus élevé. L'information est indiquée pour les régions géographiques suivantes :

Canada

- Alberta (Alb.)
- Colombie-Britannique (C.-B.)
- Manitoba (Man.)
- Nouveau-Brunswick (N.-B.)
- Nouvelle-Écosse (N.-É.)
- Ontario (Ont.)
- Québec (QC)
- Saskatchewan (Sask.)

États-Unis

- Arizona (AR)
- Californie (CA)
- Idaho (ID)
- Maine (ME)
- Michigan (MI)
- Minnesota (MN)
- Montana (MT)
- New Hampshire (NH)
- New Mexico (NM)
- New York (NY)
- North Dakota (ND)
- Ohio (OH)
- Oregon (OR)
- Pennsylvanie (PA)
- Texas (TX)
- Vermont (VT)
- Washington (WA)
- Wisconsin (WI)

Mexique - La plupart des routes au Mexique sont de compétence fédérale. Les mêmes règles s'appliquent donc dans tout le pays.

N'oubliez pas qu'il vous faut pouvoir communiquer avec les autorités de chaque pays, État ou province où vous entrez. Une mauvaise compréhension de la langue n'est pas considérée comme une raison suffisante si vous êtes accusé d'une infraction.

Chaque tableau sur les trois pages qui suivent énumère un certain nombre de règles et indique comment elles s'appliquent à chaque province, État ou pays. Le symbole ✓ signifie que la règle s'applique, le symbole × qu'elle ne s'applique pas. Dans certains cas, il y a des exceptions à la règle qu'on a indiquées au moyen d'un ☑ (applicable avec exceptions) ou d'un ☒ (non applicable avec exceptions). Par exemple, l'arrêt obligatoire aux passages à niveau n'est pas requis en Californie, mais il existe des exceptions à cette règle et il importe de les connaître. Veuillez consulter l'administration locale (ministère du Transport de la province, de l'État ou pays, ou la police) de chaque État, province ou pays pour de plus amples renseignements.

	Ceinture obligatoire	Dépasser à droit permis	Voie de gauche réservée au dépassement	Arrêt obligatoire aux passages à niveau	Vignettes de pare-brise autorisées
CANADA					
Alb.	✓	☑	×	☒	✓
C.-B.	✓	×	×	☒	☑
MB	✓	×	×	☒	☑
N.-B	✓	☑	☑	☒	×
N.-É	✓	☑	✓	☒	☑
Ont.	✓	☑	×	☒	☑
QC	✓	☑	×	☒	☑
Sask	✓	☑	×	☒	☑
ÉTATS-UNIS					
AR	✓	☑	×	☒	×
CA	✓	☑	×	☒	☑
ID	✓	☑	✓	✓	×
ME	✓	☑	✓	☒	☑
MI	✓	☑	✓	☒	×
MN	✓	☑	×	✓	×
MT	✓	☑	×	✓	☑
NH	✓	☑	×	☒	×
NM	✓	☑	×	☒	☑
NY	✓	☑	×	☒	×
ND	✓	☑	×	×	✓
OH	✓	☑	✓	☒	☑
OR	✓	☑	✓	☒	×
PA	✓	☑	×	☒	×
TX	✓	☑	×	☒	☑
VT	✓	☑	×	☒	✓
WA	✓	☑	✓	☒	×
WI	✓	☑	×	☒	×
MEXIQUE	✓	☑	✓	☒	×

Legende: × = Non ☒ = Non avec exceptions
✓ = Oui ☑ = Oui avec exceptions

	Virage à droit permis au feu rouge	Virage à gauche permis au feu rouge	Écouteurs autorisés	Alcool ouvert autorisés	Signal de détresse autorisé
CANADA					
Alb.	✓	☑	✓	×	×
C.-B.	✓	☑	✓	×	×
Man.	✓	☑	×	×	☑
N.-B.	✓	×	✓	×	×
N.-E.	✓	☑	✓	☑	✓
Ont.	✓	☑	✓	×	×
QC	×	×	×	×	☑
Sask.	☑	×	✓	×	✓
ÉTATS-UNIS					
AR	✓	☑	✓	✓	☑
CA	✓	☑	×	×	☑
ID	✓	☑	✓	×	×
ME	✓	☑	✓	×	☑
MI	✓	☑	✓	×	✓
MN	✓	☑	×	×	☑
MT	✓	☑	✓	✓	☑
NH	✓	☑	✓	×	✓
NM	✓	☑	✓	×	☑
NY	☑	☑	☑	✓	×
ND	✓	☑	✓	×	✓
OH	✓	☑	×	×	✓
OR	✓	☑	✓	×	✓
PA	✓	☑	×	×	✓
TX	✓	☑	✓	✓	✓
VT	✓	×	✓	☑	✓
WA	✓	☑	×	×	✓
WI	✓	☑	✓	×	✓
MEXIQUE	✓	☑	✓	✓	☑

	BP canal 9 d'urgence assurée	Déclaration obligatoire d'accident	Détecteurs de radar permis	Stationnement sur l'autoroute autorisé
CANADA				
Alb.	✓	$1,000	✓	×
C.-B.	×	$1,000	✓	×
Man.	×	$1,000	×	×
N.-B.	×	$1,000	×	☑
NS	×	$500	×	×
Ont.	✓	$700	×	☑
QC	✓	$500	×	×
Sask.	✓	$500	✓	☑
ÉTATS-UNIS				
AR	☑	$0	×	×
CA	✓	$500	×	×
ID	☑	$750	×	×
ME	✓	$500	×	×
MI	☑	$400	×	×
MN	☑	$1,000	×	☑
MT	☑	$400	×	×
NH	✓	$1,000	×	×
NM	☑	$500	×	×
NY	✓	$1,000	×	×
ND	☑	$1,000	×	×
OH	☑	$400	×	×
OR	✓	$500	×	×
PA	✓	$0	×	×
TX	×	$500	×	×
VT	×	$500	×	×
WA	✓	$500	×	×
WI	✓	$500	×	☑
MEXIQUE	×	$0	✓	☒

Legende: × = Non ☒ = Non avec exceptions
✓ = Oui ☑ = Oui avec exceptions

Reglas del Camino

Esta sección se encarga de mostrar las varias reglas del camino en Canadá, los Estados Unidos de América y México. La información está presentado en un formato tabular para facilidad de uso y referencia.

En general, las reglas del camino en Canadá y los Estados Unidos no están hecho por una autoridad federal de transporte. Cada estado americano y provincia canadiense decide individualmente como aplicar leyes gobernando la operación de vehículos. Por esta razón, las tablas en esta sección indica información para estados y provincias individuales. Por ejemplo, todas las autoridades locales te exijen que llevas dentro el vehículo una prueba de seguro para vehículos. Además, todas las autoridades permiten el uso de luces durante el día y los exijen puestos durante la noche. Mientras muchas jurisdicciones permiten el uso de otros tipos de luces especializadas, hay diferentes reglas cuando y cuantas luces se pueden usar. En México, las reglas del camino están hecho por el gobierno federal y aplican a la mayoridad de las carreteras en el país. Las reglas mexicanas se encuentran como una sola entrada dentro la tabla.

Límites de velocidad cambian através jurisdicciones. Asegurate de saber de los límites diferentes que existen en cada carretera y camino que acorres. Además, ciertas carreteras tienen diferentes límites de velocidad para automoviles y camiones. En Canadá y México, recuerda que se usa el sistema métrico indicando los límites de velocidad en kilómetros por hora. Los Estados Unidos usa el sistema imperial con sus límites indicados en millas por hora. Finalmente, dos leyes federales importantes en los Estados Unidos para recordarse son:

- el uso de detectores de radar en vehículos comerciales es prohibido; y
- cualquier accidente que necesita el remolque de un vehículo sin referencia a la cantidad del daño debiera ser reportado a la policía.

Esta sección cubre esas jurisdicciones que tiene la mayoría del tráfico internacional. Está incluido información por las siguientes regiones:

Canadá

- Alberta (AB)
- British Columbia (BC)
- Manitoba (MB)
- New Brunswick (NB)
- Nova Scotia (NS)
- Ontario (ON)
- Quebec (QC)
- Saskatchewan (SK)

Estados Unidos

- Arizona (AR)
- California (CA)
- Idaho (ID)
- Maine (ME)
- Michigan (MI)
- Minnesota (MN)
- Montana (MT)
- New Hampshire (NH)
- New Mexico (NM)
- New York (NY)
- North Dakota (ND)
- Ohio (OH)
- Oregon (OR)
- Pennsylvania (PA)
- Texas (TX)
- Vermont (VT)
- Washington (WA)
- Wisconsin (WI)

México - Muchas de las carreteras mexicanas están gobernado por la jurisdicción federal así que las mismas reglas aplican por todo el país.

Recuerda que tienes que ser capaz de comunicar con las autoridades locales que acorres. Un mal conocimiento de la lengua local no es considerado una buena defensa si las autoridades encuentran una infracción.

Esta tabla en las siguientes tres páginas apunta varios temas y indica como las jurisdicciones los aplican. Un ✓ significa que la jurisdicción aplica el tema y una × significa que no aplica el tema. En ciertos casos, hay excepciones como un tema se aplica en práctica. Estos casos están indicados por un ☑ (aplica con excepciones) o un ☒ (no aplica con excepciones). Por ejemplo, no es mandatorio parar a los cruces ferroviarios en el estado de California, pero hay excepciones con esta regla que uno debiera saber. Si hay excepciones, consulta con la autoridad local apropriada (departamento provincial o estatal de transporte, o la policía local) para más información.

	Cinturón de seguridad mandatorio	Adelantamiento en derecha permitido	Via izquierda limitado para adelantamiento	Parar en cruces de FFCC obligado	Calcomanías en parabrisas permitidos
CANADÁ					
AB	✓	☑	×	☒	✓
BC	✓	×	×	☒	☑
MB	✓	×	×	☒	☑
NB	✓	☑	☑	☒	×
NS	✓	☑	✓	☒	☑
ON	✓	☑	×	☒	☑
QC	✓	☑	×	☒	☑
SK	✓	☑	×	☒	☑
ESTADOS-UNIDOS					
AR	✓	☑	×	☒	×
CA	✓	☑	×	☒	☑
ID	✓	☑	✓	✓	×
ME	✓	☑	✓	☒	☑
MI	✓	☑	✓	☒	×
MN	✓	☑	×	✓	×
MT	✓	☑	×	✓	☑
NH	✓	☑	×	☒	×
NM	✓	☑	×	☒	☑
NY	✓	☑	×	☒	×
ND	✓	☑	×	×	✓
OH	✓	☑	✓	☒	☑
OR	✓	☑	✓	☒	×
PA	✓	☑	×	☒	×
TX	✓	☑	×	☒	☑
VT	✓	☑	×	☒	✓
WA	✓	☑	✓	☒	×
WI	✓	☑	×	☒	×
MÉXICO	✓	☑	✓	☒	×

Leyende: × = No aplica ☒ = No aplica con excepciones
✓ = Aplica ☑ = Aplica con excepciones

	Vuelta derecha permitida en luz roja	Vuelta izquierda permitida en luz roja	Uso de auriculares permitidos	Envases alcólicos abiertos permitidos	Luces intermitentes permitidos
CANADÁ					
AB	✓	☑	✓	×	×
BC	✓	☑	✓	×	×
MB	✓	☑	×	×	☑
NB	✓	×	✓	×	×
NS	✓	☑	✓	☑	✓
ON	✓	☑	✓	×	×
QC	×	×	×	×	☑
SK	☑	×	✓	×	✓
ESTADOS-UNIDOS					
AR	✓	☑	✓	✓	☑
CA	✓	☑	×	×	☑
ID	✓	☑	✓	×	×
ME	✓	☑	✓	×	☑
MI	✓	☑	✓	×	✓
MN	✓	☑	×	×	☑
MT	✓	☑	✓	✓	☑
NH	✓	☑	✓	×	✓
NM	✓	☑	✓	×	☑
NY	☑	☑	☑	✓	×
ND	✓	☑	✓	×	✓
OH	✓	☑	×	×	✓
OR	✓	☑	✓	×	✓
PA	✓	☑	×	×	✓
TX	✓	☑	✓	✓	✓
VT	✓	×	✓	☑	✓
WA	✓	☑	×	×	✓
WI	✓	☑	✓	×	✓
MÉXICO	✓	☑	✓	✓	☑

	Banda ciudadana de emergencia (canal 9) monitorizado	Cantidad mínima de dano para reportar un accidente	Detectores de radar permitidas	Estacionamiento en carretera permitido
CANADÁ				
AB	✓	$1,000	✓	×
BC	×	$1,000	✓	×
MB	×	$1,000	×	×
NB	×	$1,000	×	☑
NS	×	$500	×	×
ON	✓	$700	×	☑
QC	✓	$500	×	×
SK	✓	$500	✓	☑
ESTADOS-UNIDOS				
AR	☑	$0	✓	×
CA	✓	$500	✓	×
ID	☑	$750	✓	×
ME	✓	$500	✓	×
MI	☑	$400	✓	×
MN	☑	$1,000	✓	☑
MT	☑	$400	✓	×
NH	✓	$1,000	✓	×
NM	☑	$500	✓	×
NY	✓	$1,000	☑	×
ND	☑	$1,000	×	×
OH	☑	$400	×	×
OR	✓	$500	×	×
PA	✓	$0	✓	×
TX	×	$500	✓	×
VT	×	$500	✓	×
WA	✓	$500	✓	×
WI	✓	$500	✓	☑
MÉXICO	×	$0	✓	☒

Leyende: × = No aplica ☒ = No aplica con excepciones
✓ = Aplica ☑ = Aplica con excepciones

Citizenship and Immigration Canada

NOTICE FOR TRANSPORTATION OPERATORS

The Citizenship and Immigration publication entitled *Temporary Entry to Canada under the North American Free Trade Agreement* is a guide for American and Mexican business persons who are seeking to enter Canada to conduct business activities pursuant to the NAFTA provisions. The guide contains general information that covers all the various categories of business persons.

The following sections and pages contain information that is specific to Transportation Operators:

Annex A: Appendix 1603.A.1: Business Visitors under the heading *Distribution* pages 30 and 31. Tourism personnel and tour bus operators are addressed under General Service interpretive notes on Pages 32 and 33.

Citizenship and Immigration Canada
Citoyenneté et Immigration Canada

Temporary Entry to Canada under the North American Free Trade Agreement
A guide for American and Mexican business persons

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Temporary Entry to Canada under the North American Free Trade Agreement
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This is not a legal document. For precise legal information, consult Chapter 16 of the *North American Free Trade Agreement*, the *Immigration Act* and the *Immigration Regulations, 1978.*
Produced by Communications Branch and Selection Branch
Citizenship and Immigration Canada
For more information, contact your nearest immigration office or a Canadian diplomatic mission abroad
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INTRODUCTION

The North American Free Trade Agreement (NAFTA) is an historic accord governing the largest trilateral trade relationship in the world. The Agreement seeks to liberalize trade between Canada, Mexico and the United States and gradually eliminate tariffs and other trade barriers. The Agreement opens up the three countries' markets by ensuring that future laws will not create barriers to doing business.

For trade to expand, it was recognized that selected individuals must be permitted access to the other NAFTA countries to participate in business, trade and investment activities, and to provide professional services and expertise. The Canadian, Mexican and United States governments have agreed on rules for such access to each other's markets, on a reciprocal basis. These are set out in Chapter 16 of the NAFTA, entitled **Temporary Entry for Business Persons.**

Chapter 16 deals only with temporary entry of selected business persons and has no effect on permanent residence. It complements rather than replaces the existing provisions governing the entry of temporary foreign workers.

The advantages that accrue to business persons operating within the NAFTA territory include:

- facilitation of short-term business visitors to the territory of another NAFTA party;
- eased restrictions, for certain business persons, on temporary access to the labour market of another NAFTA party;
- greater freedom to provide professional services in the territory of another NAFTA party;
- greater flexibility to transfer executive and management personnel, and persons with specialized knowledge, to an enterprise's operations or parent, subsidiary or affiliated companies, which are located in the territory of another NAFTA party;
- the opportunity to establish new businesses in the territory of another NAFTA party;
- facilitation of after-sales service personnel, pursuant to a sales, warranty or service agreement; and
- reciprocal treatment of business persons by all NAFTA parties.

This guide is designed to assist American and Mexican business persons to understand the procedures for temporary entry to Canada under the NAFTA. The "interpretive notes" reflect common understandings reached by the three NAFTA parties on the administration and implementation of Chapter 16 of the NAFTA, as well as Canadian administrative practice.

If you require further information on admission to Canada, either as a business person or in any other immigrant or visitor category not affected by the NAFTA, contact a Canadian consulate or embassy (those located in the United States and Mexico are listed in Annex C of this publication), a Canadian port of entry or a local Immigration office in Canada.

SECTION I: WHO QUALIFIES FOR ENTRY UNDER THE NAFTA?

If you are an American or Mexican citizen and you are seeking to enter Canada on a temporary basis to engage in the trade of goods, provision of services or in investment activities, there is a good possibility that you will qualify for eased entry under the NAFTA. *[**Note**: "American citizen" includes residents of the District of Columbia and the Commonwealth of Puerto Rico but does not include residents of Guam, the Commonwealth of the Northern Mariana Islands, American Samoa and the United States Virgin Islands].*

General requirements
There are four general requirements you must meet in order to be granted temporary entry to Canada under the NAFTA:

You must be an American or Mexican citizen.

> ***Interpretive note:***
> *A valid passport is the best proof of citizenship. In the absence of a passport, which American citizens do not require in order to travel to Canada, proof can be provided in the form of a certificate of citizenship or a birth certificate (as a birth certificate is not a secure document, be prepared to show some additional identification which bears a photograph, such as a driver's licence).*

You do **not** qualify for eased access under the NAFTA if

- you are a permanent resident of the United States or Mexico, but a citizen of a non-NAFTA country; or
- you are working in the United States or Mexico on an employment authorization, but are a citizen of a non-NAFTA country.

You may, however, continue to have access to Canada through the normal procedures for the entry of temporary foreign workers.

You must qualify in one of the four categories of business persons defined in the NAFTA: business visitors, professionals, intra-company transferees or traders and investors *[these are discussed in Section III].*

You must be seeking temporary entry only.
Temporary entry means that you have no intention of remaining in Canada permanently. Your status in Canada will be that of "visitor". If you wish to remain permanently, you must go through the normal immigration procedures for permanent residence and apply from outside of Canada.

You must meet the universal immigration requirements governing temporary entry to Canada.
Remember that even if you are covered under the NAFTA, you may be affected by other provisions of Canada's Immigration Act and Regulations. The existence of certain medical conditions or a criminal record, for example, may mean that entry cannot be granted.
Depending on the type of job you will have and where you have lived during the past year, you may be required to have a medical examination. If you want to work in the field of health services, you will need a medical examination and a satisfactory medical assessment before you can be issued an employment authorization.
If any of these circumstances applies to you (or your accompanying family members), it would be wise to seek advice from a Canadian embassy or consulate before travelling to Canada.
Remember that the NAFTA does not replace the general provisions for temporary entry to Canada, but merely adds to them. When you are seeking entry to Canada, a Canadian immigration officer will decide whether it is more advantageous to you, as the client, to be admitted under the general provisions for temporary foreign workers or under the NAFTA. In either case, all other provisions of Canadian immigration law remain in effect with respect to travel and identity documentation and the protection of public health, safety and national security.

SECTION II: WHAT ARE THE ADVANTAGES OF ENTRY UNDER THE NAFTA?

In order to appreciate the advantages of entry under the NAFTA, it is necessary to understand how Canada normally processes temporary foreign workers.
Most temporary foreign workers require employment authorizations to work in Canada. Generally, these are issued only after a Canadian immigration officer is satisfied that there are no qualified Canadians or permanent residents of Canada who are available to perform the work. In Canada, this procedure is known as the "job validation process". It can take from several weeks to several months to complete and may require the prospective Canadian employer to advertise the position, interview all qualified applicants and have valid reasons for rejection before an employment authorization can be issued to a foreign worker. Normally, application for an employment authorization must be made at a Canadian embassy or consulate, several months before the applicant's anticipated travel date.

What NAFTA does

- NAFTA eases the temporary entry requirements for business persons who are citizens of the United States or Mexico and who are involved in the trade of goods or services or in investment activities;
- NAFTA removes the need for the validation of an offer of employment for all business persons covered by the Agreement;
- in the case of a business visitor, NAFTA removes the need for an employment authorization; and
- for professionals and intra-company transferees, NAFTA expedites the application process and permits the issuance of an employment authorization at the port of entry.

What NAFTA does not do

- NAFTA does not facilitate entry for those seeking permanent residence in Canada;
- NAFTA has no effect on universal requirements, including those related to passports and identity documentation, medical examinations, and safety and security;
- NAFTA does not replace the general provisions dealing with temporary foreign workers; and
- NAFTA does not replace the need for temporary workers to meet licensing or certification requirements respecting the exercise of a profession or the delivery of after-sales service.

SECTION III: WHAT ARE THE CATEGORIES OF BUSINESS PERSONS?

Business persons covered by Chapter 16 of the NAFTA are grouped into four categories: **business visitors; professionals; intra-company transferees;** and **traders and investors.** Read the following information carefully to determine whether you qualify for entry to Canada under one of these NAFTA categories:

Business Visitors

What is a business visitor?

The NAFTA describes a business visitor as

"...a business person seeking to engage in a business activity set out in Appendix 1603.A.1, without requiring that person to obtain an employment authorization, provided that the business person otherwise complies with existing immigration measures applicable to temporary entry..."

[Appendix 1603.A.1, which has been amended to include interpretive notes, is reproduced in Annex A].

The intent of this provision is to facilitate the entry to Canada of the short-term business visitor who has no intention of entering the Canadian labour market. If you wish to work for a Canadian employer, or under contract to a Canadian company, you are not a business visitor and you must apply under a different NAFTA category or under the general provisions for temporary foreign workers.

Business visitors can carry out their business activities without the need for an employment authorization.

What requirements apply to business visitors?

You may qualify as a **business visitor** if, in addition to the general requirements described in Section I, you meet the following criteria:

a. you can provide evidence *[such as a letter of attestation from your employer]* to demonstrate that you plan to engage in a business activity described in Appendix 1603.A.1 of the NAFTA *[see Annex A],* and describing the purpose of entry; and

b. you can provide evidence *[such as a letter of attestation from your employer]* that the proposed business activity is international in scope and that you are not seeking to enter the Canadian labour market, by demonstrating that
   i. the primary source of remuneration for the proposed business activity is outside Canada; and
   ii. your principal place of business and the actual place of accrual of profits, at least predominantly, remain outside Canada.

c. if you are a "professional" described in Appendix 1603.D.1 of the NAFTA *[see Annex B]*, you may qualify for entry under the general service provision of the business visitor category. You must be able to demonstrate that you meet the minimum education requirements or alternative credentials indicated in Appendix 1603.D.1.

[You can satisfy this requirement by presenting a letter from your employer or an affidavit attesting to your qualifications or by providing a copy of your professional licence, certification, accreditation or registration].

d. if you are seeking entry under the after-sales service provision of the business visitor category, you **must** provide copies of the original sales, warranty or service agreement, and any extension to same *[for complete information on after-sales service, see* **What special requirements apply to after-sales service personnel?** *below].*

How long can I remain in Canada?

Most business visitors are granted entry for a period of up to six months. The duration of stay granted to after-sales service personnel is normally related to the length of time required to fulfil the service obligation related to a specific sales, warranty or service contract.

What Canadian immigration documents will be issued to me?

Generally, no immigration documentation is issued to business visitors. Business visitors are not entering the Canadian labour market and, therefore, an employment authorization is **not** required. If you are granted entry subject to certain terms and conditions, however, you will be issued a visitor record.
If you know that you will be visiting Canada regularly over an extended period of time and the reason for entry is always the same (e.g. to consult with a client about a specific project), upon arrival at a Canadian port of entry you may wish to request that a visitor record be issued to you in order to facilitate your entry to Canada on subsequent visits. The decision to issue a visitor record is completely at the discretion of the immigration officer. There is no cost associated with the issuance of a visitor record.
If you are granted entry under the after-sales service provision of the business visitor category and the work will take more than two days, you will be issued a visitor record automatically.

What special requirements apply to after-sales service personnel?
You may qualify under the After-Sales Service provision of the business visitor category if, in addition to meeting the general requirements described in Section I, you are able to meet the following criteria:

a. your purpose of entry is to
   install;
   repair;
   service;
   supervise the above functions; or
   train workers to perform services,

b. to a warranty or other service contract entered into as an integral part of the sale of equipment or machinery (including computer software), during the life of the warranty or service agreement;

c. the equipment or machinery is commercial or industrial (not household or personal) and was purchased from an enterprise outside of Canada;

d. the work you will be performing requires specialized knowledge *[see interpretive note 4(a) below];* and

e. you can provide **copies of the original sales agreement, and warranty or service agreement,** including any extensions, which clearly support the purpose of entry.

Interpretive notes:

1. *The warranty or other service contract must be incidental (connected) to the sale of commercial or industrial equipment or machinery, including computer software. "Incidental" does not mean that a warranty or service agreement must have the same date as the sales agreement. Particularly with third party service* [see interpretive note 5 below], *it may take a number of months after the sale before the company installing or servicing the machinery is identified and sub-contracted.*

2. *The life of the initial warranty or service agreement may be extended provided that the sales agreement, or initial warranty or service agreement contained a provision allowing for the extension. The after-sales service therefore continues to be contracted as part of the sale of the equipment or machinery, or computer software.*

After-sales service personnel are automatically referred to the Immigration Secondary Examination area for processing. This is normal procedure and not an indication of a problem.

Interpretive notes:

1. ***What is after-sales service?***
   a. *After-sales service includes the installation, or repair, or periodic servicing of commercial or industrial equipment or machinery, or*

computer software.

b. *Installation **includes only setting-up and testing** the commercial or industrial equipment or machinery, or computer software. It **does not include operating** in a productive capacity the equipment or machinery, or computer software.*

2. ***Who may enter to perform after-sales service?***
   a. *An applicant must be coming to install, repair and maintain equipment and machinery and computer software, although entry will not be granted if that person will be performing hands-on building and construction work (see interpretive note 3, below).*
   b. *An applicant may be coming to train or to supervise any workers performing installation, repair or maintenance work, including those whose activities are building and construction work.*
   c. *Training and supervision might, on occasion, involve demonstrating a procedure, providing such demonstration does not result in the accomplishment or completion of an installation or servicing task, or of a segment of such task, or in the productive operation of the equipment or machinery.*

3. ***Who may not enter to perform after-sales service?***
   *Regardless of the existence of wording in sales, warranty or service agreements that requires company personnel to perform the installation and servicing, entry to Canada will not be granted when those persons will be performing **hands-on building and construction work.** (Hands-on building and construction work is not considered to require specialized knowledge. See below.)*
   i. *Building and construction work includes installing, maintaining and repairing:*
      - *utility services;*
      - *any part of the fabric of any building or structure; and*
      - *machinery, equipment or structures within a building.*
   ii. *Building and construction work encompasses activities normally performed by (but not limited to): labourers; millwrights, heat and frost insulators; bricklayers; carpenters and joiners; electrical workers; operating engineers (includes heavy equipment operators); elevator constructors; sheet metal workers; teamsters; boilermakers; residential, commercial or industrial painters (including the application of all surface coatings, no matter how applied); bridge, structural and ornamental ironworkers; plumbers and pipefitters; roofers; plasterers and cement masons.*
   iii. *Building and construction work includes work involving assembly lines; conveyor belts and systems; overhead cranes; heating, cooling, and ventilation or exhaust systems; elevators and escalators; boilers and turbines; and the dismantling or demolition of commercial or industrial equipment or machinery, whether on-site or in-plant.*
   iv. *As well, persons are not covered by this provision if they are seeking to engage in site preparation work; services installation (for example, electricity, gas, water), and connection of the commercial or industrial equipment or machinery to such services.*

4. ***What requirements apply to a person seeking entry to provide after-sales service?***
   a. *The person seeking entry must possess **specialized knowledge***

essential to the seller's contractual obligation.

"Specialized knowledge" is considered to be a high degree of knowledge which can only be imparted to an already-skilled person through extensive training. [It is important to note that although the same term (specialized knowledge) also exists in the intra-company transferee category, the definition of the term in each provision is different.]

In making this determination, the immigration officer will consider:

- *the skill and/or knowledge level necessary to perform the proposed activity in Canada (the services to be provided **must** require the use of specialized knowledge);*
- *whether the person possesses a high level of skill or knowledge as indicated by a relevant post-secondary degree or diploma, or by licensing, certification or accreditation issued by an authoritative body;*
- *whether the person has received a set program of additional training, whether in-class or on-the-job, which is essential for providing the service.*

b. *The person must be employed by an enterprise established in the United States or Mexico.*

c. *The person's proposed activities in Canada must be supported by clear wording in a sales, warranty or service contract.*

5. ***What is third party service?***

a. *Third party service occurs when a seller located in the United States or Mexico **or in another country** contracts the after-sales servicing to another firm (a third party). The third party must be established in the United States or Mexico.*

b. *There must be clear wording in the sales agreement that specifies that a third party will perform the installation, warranty or service work. Unless such wording exists, there is no evidence that the third party service is incidental to the sale. However the name of the company need not be named in the agreement.*

6. ***What requirements apply to the equipment or machinery, or computer software?***

a. *The equipment or machinery, or computer software, must have been produced outside of Canada.*

b. *After-sales service must be related to equipment or machinery, or computer software that is used in a commercial or industrial setting. Household or personal goods or appliances do not qualify.*

c. *The commercial or industrial equipment or machinery, or the computer software* must have been purchased from an enterprise located outside of Canada. [*For computer software, "purchase" includes a licensing agreement.] Normally, the purchase of the equipment or machinery or computer software has been accomplished by means of a direct sales transaction between a manufacturer or distributor abroad and an end-user in Canada. A lease or rental arrangement is not covered under the after-sales service provision.*

There are, however, two other types of transactions by which the equipment or machinery or computer software can enter Canada and still be covered by the after-sales service provision. These are:

- *through a sales transaction between the foreign manufacturer or distributor and an affiliate (e.g., parent, subsidiary) in Canada which, in turn, sells or leases the merchandise to the end-user; or*
- *through a sales transaction between the manufacturer or distributor abroad and an unrelated distributor in Canada which, in turn, sells or leases the merchandise to the end-user.*

In these instances, the Canadian enterprise making the sale or leasing to the end-user may not be equipped to provide installation or warranty service and relies on the enterprise established in the United States or Mexico to provide such services.

7. ***Does the NAFTA affect any requirements for licensing or certification with respect to installation and servicing activities?***
No. Where there are municipal, regional, provincial, or other federal requirements regulating the installation, repair and maintenance of commercial or industrial equipment or machinery, or computer software, the NAFTA does not relieve a person entering to perform or to supervise such services from an obligation to comply with these requirements.

Professional

What is a professional?

According to the NAFTA, a **professional** is
"...a business person seeking to engage in a business activity at a professional level in a profession set out in Appendix 1603.D.1, if the business person otherwise complies with existing immigration measures applicable to temporary entry...".
[Appendix 1603.D.1, amended to include interpretive notes, is reproduced in Annex B.]
Professionals are not subject to the job validation process but an employment authorization is required.

What requirements apply to professionals?

You may apply for an employment authorization as a **professional** if, in addition to meeting the general requirements described in Section I, you meet the following criteria:

a. you are seeking to work in an occupation listed on Appendix 1603.D.1 of the NAFTA *[see Annex B].*
[You can satisfy this requirement with a letter of attestation from your employer.]

b. you are qualified to work in that occupation.
[The minimum education requirements and alternative credentials are listed in Appendix 1603.D.1 of the NAFTA - see Annex B.]

[You can satisfy this requirement with a letter from your employer or an affidavit attesting to your qualifications, or by providing a copy of your professional licence, certification, accreditation or registration.]

c. you have pre-arranged employment with a Canadian enterprise, in an occupation that matches your qualification.

[You can satisfy this requirement by providing a copy of a signed contract for service with a

Canadian enterprise, or evidence that an offer of employment has been made by a Canadian enterprise and accepted. The documentation provided should include the following information:

- *the proposed employer(s) in Canada;*
- *the profession (including position title and duties) under which you are seeking entry;*
- *the purpose of entry;*
- *the anticipated length of stay;*
- *the educational qualifications or alternative credentials required to perform the job;*
- *the arrangements for remuneration of services to be rendered.]*

Interpretive notes:

1. *The arrangement to provide professional services can be through*
   - *an employer-employee relationship with a Canadian enterprise;*
   - *a signed contract between the business person and a Canadian enterprise; or*
   - *a signed contract between the business person's American or Mexican employer and a Canadian enterprise.*

   A "Canadian enterprise" can be an individual as well as an entity. Professionals may work on more than one contract at a time providing all employers are listed on their employment authorization.
2. *American and Mexican business persons will be granted entry to Canada as professionals to provide pre-arranged service only. A business person wishing to establish a professional practice in Canada in which the business person will be employed may wish to investigate applying for entry in the traders and investors category.*
3. *A business person may only be granted professional status when seeking entry to provide service at a professional level, in the business person's field of qualification. [For example: an accountant must be entering to work as an accountant, not as a bookkeeper (which is not a professional level service); and an engineer must be entering to perform engineering work, not to manage a tobacco company.]*
4. *The minimum education requirements and alternative credentials listed in Appendix 1603.D.1 [see Annex B] are for purposes of entry to the territory of a NAFTA country only. (For purposes of entry, baccalaureate or licenciatura degrees granted by universities outside of NAFTA territory are acceptable; post-secondary diplomas and post-secondary certificates granted by educational institutions located outside of NAFTA territory are not acceptable.)*
5. *Persons who are granted entry to Canada as professionals must, before commencing their employment, obtain the necessary professional licence, certification, accreditation or registration applicable to the practice of their profession in Canada.*

***Exception**: Registered Nurses must have been granted a provincial licence to practice in Canada **before** they can be granted entry as professionals. Short-term entry will be facilitated, however, for individuals who can demonstrate that they have initiated steps towards obtaining a licence, in order to assist them in completing any necessary procedures. If they are successful in obtaining a licence, those individuals may then apply for professional status.*

How long can I remain in Canada?

There is no set time limit on how long you can remain in Canada as a professional. Temporary entry may be extended as long as the "temporariness" of the situation remains bona fide.

What Canadian immigration documents will be issued to me?
If you qualify in this category, you will be issued an employment authorization. An employment authorization issued at the time of entry can have a maximum duration of one year. Extensions may be granted in one year increments, at the discretion of an immigration officer.

Intra-Company Transferees
What is an intra-company transferee?
According to the NAFTA, an intra-company transferee is
"...a business person employed by an enterprise who seeks to render services to that enterprise or a subsidiary or affiliate thereof, in a capacity that is managerial, executive or involves specialized knowledge, provided that the business person otherwise complies with existing immigration measures applicable to temporary entry."
Intra-company transferees are not subject to the job validation process but an employment authorization is required.

Interpretive notes:
For the purposes of this category:
"affiliate" *means*
- *one of two subsidiaries, both of which are owned and controlled by the same parent or individual; or*
- *one of two legal entities, owned and controlled by the same group of individuals, each individual owning and controlling approximately the same share or proportion of each company.*

"branch" *means an operating division or office of the same organization, housed in a different location.*
"parent" *means a firm, corporation or other legal entity which has subsidiaries.*
"subsidiary" *means a firm, corporation, or other legal entity of which a parent owns:*
- *directly or indirectly, half/more than half of the entity and controls the entity; or*
- *owns, directly or indirectly, 50% of a 50-50 joint venture and has equal control and veto power over the entity; or*
- *owns, directly or indirectly, less than half of the entity but, in fact, controls the entity.*

"doing business" *means the regular, systematic and continuous provision of goods and/or services by a parent, branch, subsidiary or affiliate in Canada, the United States or Mexico, as the case may be, and does not include the mere presence of an agent or office in Canada or the United States or Mexico. (This means that there must be business enterprises actively "doing business" in both Canada and the business person's home country, i.e. the United States or Mexico.)*
"executive capacity" *means that the employee primarily:*
- *directs the management of the organization or a major component or function of the organization;*
- *establishes the goals and policies of the organization, component or function;*
- *exercises wide latitude in discretionary decision-making; and*
- *receives only general supervision or direction from higher level executives, the board of directors, or stockholders of the organization.*

"managerial capacity" *means that the employee primarily:*
- *manages the organization, or a department, subdivision, function, or component of the organization;*
- *supervises and controls the work of other supervisory, professional or managerial employees, or manages an essential function within the organization, or a department or subdivision of the organization;*
- *has the authority to hire and fire or recommend those and other personnel*

actions (such as promotion and leave authorization); if no other employee is directly supervised, functions at a senior level within the organization hierarchy or with respect to the function managed; and

- *exercises discretion over the day-to-day operations of the activity or function for which the employee has the authority.*

***"specialized knowledge"** means special knowledge of the Canadian enterprise's product, service, research, equipment, techniques, management or other interests and its application in international markets, or an advanced level of knowledge or expertise in the organization's processes and procedures. [It is important to note that, although the same term (specialized knowledge) exists in the after-sales service provision of the business visitors category, the definition of the term in each provision is different.]*

What requirements apply to intra-company transferees?
You may apply for an employment authorization as an **intra-company transferee** if, in addition to meeting the general requirements described in Section I, you are able to meet the following criteria:

1. you can provide a letter or affidavit from your American or Mexican employer which provides the following:

    - confirmation that you have been engaged in your current employment for at least one year within the three-year period immediately preceding the date of your application for admission;
    - a detailed outline of the purpose and position for which entry to Canada is being sought;
    - a detailed outline of your current job description, position title and place in the organizational structure of the company, confirming that you have been performing similar work for your American or Mexican employer;
    - in the case of a person with specialized knowledge, evidence that
        - you possess such knowledge; and
        - such knowledge is required for the proposed employment in Canada;
    - the duration of the temporary assignment; and
    - a clear and comprehensive description of the relationship between the company in Canada and your employer in the United States or Mexico.

How long can I remain in Canada?
The total period of stay for a person employed in an **executive or managerial** capacity may not exceed **seven** years. The total period of stay for a person employed in a **specialized knowledge** capacity may not exceed **five** years.

What Canadian immigration documents will be issued to me?
If you qualify in this category, you will be issued an employment authorization. An employment authorization issued at the time of entry can have a maximum duration of up to three years. However if you are admitted to open a new office, the duration of stay may be shorter. Extensions may be granted in increments of up to two years, at the discretion of an immigration officer.

Traders and Investors
What are traders and investors?
According to the NAFTA, a **trader and investor** is "a business person seeking to:

a. carry on substantial trade in goods or services principally between the territory of the Party of which the business person is a citizen and the territory of the Party into which entry is sought, or

b. establish, develop, administer or provide advice or key technical services to the operation of an investment to which the business person or the business person's enterprise has committed, or is in the process of committing, a substantial amount of capital,

in a capacity that is supervisory, executive or involves essential skills, provided that the business person otherwise complies with existing immigration measures applicable to temporary entry."
Traders may be conducting commercial trade on their own behalf or as an agent of a person or an enterprise engaged in trade principally between Canada and the business person's home country (i.e. the United States or Mexico).
Status can be granted as a trader or as an investor, but not both.
Traders and investors are not subject to the job validation process but an employment authorization is required.

Interpretive notes:

1. *The term "trade" means the exchange, purchase, or sale of goods and/or services. "Goods" are tangible commodities or merchandise having intrinsic value, excluding money, securities and negotiable instruments. "Services" are economic activities whose outputs are other than tangible goods. Such activities include, but are not limited to, international banking, insurance, transportation, communications and data processing, advertising, accounting, design and engineering, management consulting and tourism.*

2. *"Substantial trade" is determined by the **volume** of trade conducted as well as the monetary value of the transactions. Proof of numerous transactions, although each may be small in value, might establish the requisite **continuing course** of international trade.*

3. *Over 50 per cent of the total volume of trade conducted in Canada by the firm's Canadian operation must be between Canada and the United States or Mexico. (The duties of an American or Mexican employee of the Canadian office need not be similarly apportioned.)*

4. *The supervisory or executive element of the position is a **principal** and **primary** function. A **supervisor** is a manager whose primary responsibilities involve the directing, controlling and guiding of subordinate employees and who does not routinely engage in hands-on activities. An **executive** is in a primary position in the organization with significant policy authority.*

5. *Indicators of supervisory or executive capacity are: the degree of control and responsibility over operations, place in the organizational structure, job duties, number and skill levels of immediately subordinate employees over whom supervision is exercised, level of pay and qualifying executive or supervisory experience.*

6. *"Essential skills" or services are special qualifications that are **vital to the effectiveness of the firm's Canadian operations** and are over and above the qualifications required of an ordinary skilled worker. There is no requirement that an "essential" employee has any employment history with the enterprise in question, except where the needed skills can only be obtained by that employment.*

There are two **exceptions** to meeting the criterion of "essentiality":
*i) **with respect to highly trained technicians:***
*A highly-trained or specially qualified technician employed by a firm **to train or to supervise** personnel employed in manufacturing, maintenance and repair functions may be granted trader and investor status even though some duties may be performed that do not fully meet the criterion outlined above, provided that the firm cannot obtain the services of a qualified Canadian technician.*
The emphasis is on "highly-trained." For example, a qualified technician coming to perform warranty repairs on intricate and complex products sold in trade between

Canada and the United States or Mexico can be granted trader and investor status if the employing firm establishes that it cannot obtain the services of a qualified Canadian technician. It is expected that the firm in Canada will, within a reasonable period of time, locate and train a Canadian as a highly-skilled technician.
ii) ***with respect to new enterprises (investor status only):***
Investor status may be granted to an employee not possessing essential skills when the employee is needed for the start-up of a new enterprise.
The employee and the company will have to demonstrate need, based upon familiarity with the American or Mexican operations of the firm.
This provision usually applies where a firm established in the United States or Mexico seeks to use a skilled American or Mexican employee in the early stages of a Canadian investment. It is designed to assist new enterprises to establish themselves and to allow them a reasonable time to train Canadians for positions not requiring essential skills. The granting of investor status to an employee in this situation will not normally exceed one year.

How do I apply for trader and investor status?
In order to apply for trader and investor status, you must be prepared to provide details of your trading activities, or your current or planned investment. This is done by completing an Application for Trader or Investor Status (IMM 5321) which can be obtained from any Canadian embassy or consulate, or any Canadian immigration office.
As part of this process, you will be required to establish that the company in Canada has American or Mexican "nationality."

Interpretive note:
To have American or Mexican nationality, the individual or corporate persons who own at least 50 per cent interest (directly or by stock) in the entity established in Canada must hold American or Mexican citizenship. Joint ventures and partnerships are limited to two parties. The place of incorporation of an enterprise is not an indicator of nationality. In parent-subsidiary situations, it is the nationality of the corporate entity established in Canada which is under consideration.
A letter attesting to ownership from a corporate secretary or a company lawyer may be used to establish nationality.

If you are not clear whether you are a trader or an investor, you can apply in both categories. Remember, however, that status can be granted as a trader or as an investor, not both.
You must then submit the application to a Canadian consulate or embassy in the United States or Mexico *[see Annex C]*, or anywhere else in the world. A visa officer will review the information provided and you may be asked to appear for an interview and/or to provide further information. Because of the time required for review before a decision can be made, applications must be made in advance and are not accepted at Canadian ports of entry.

What requirements apply to traders?
You may qualify for **trader** status if, in addition to meeting the general requirements described in Section I, you meet the following criteria:

a. the enterprise in Canada has American or Mexican "nationality" *[see the interpretive note on nationality above]*;
b. your predominant activity in Canada will be to carry on substantial trade in goods or services, principally between Canada and the United States or Mexico;
c. the capacity in which you will be performing in Canada is executive or supervisory in nature, or involves essential skills.

You may also qualify for trader status if, in addition to meeting the general requirements described in Section I, you meet the following criteria:

a. you are working for a person who is already maintaining trader status in Canada;

b. you and your Canadian employer meet the following criteria:

Employer qualifications: The prospective employer in Canada is a citizen of the United States or Mexico **who is maintaining trader status in Canada.** A citizen of the United States or Mexico who has permanent resident status in Canada cannot qualify to bring an employee into Canada under trader status.

If the prospective employer is a corporation or other business organization, the majority ownership must be held by citizens of the United States or Mexico who, if not residing in the United States or Mexico, **are maintaining trader status in Canada.** Shares of a corporation or other business organization owned by a citizen of the United States or Mexico who has permanent resident status in Canada cannot be considered in determining majority ownership.

Employee qualifications: An American or Mexican employee of a trader may be granted such status provided the job duties will be of an executive or supervisory character, or the employee has special qualifications that make the services to be rendered essential to the efficient operation of the enterprise in Canada. *[See interpretive notes 4, 5 and 6 on pages 14-15.]*

What requirements apply to investors?

You may qualify for **investor** status if, in addition to meeting the general requirements described in Section I, you meet the following criteria:

a. the enterprise in Canada has American or Mexican "nationality" *[see the interpretive note on nationality, page 15];*

b. you are seeking temporary entry solely to develop and direct the operations of an enterprise in which you have invested, or are actively in the process of investing, a substantial amount of capital.

Interpretive notes:

1. *To meet the "develop and direct" requirement, the applicant should have controlling interest in the enterprise.*

2. *The concept of investment connotes the placing of funds or other capital assets at risk, in the hope of generating a profit or return on the funds risked. Thus, investor status could not be extended to non-profit organizations.*

3. *The investment funds must be irrevocably committed to the business. Mere intent to invest or prospective investment arrangements entailing no current commitment of funds will not suffice.*

4. *The applicant must demonstrate prior or present possession and control of the funds or other capital assets.*

5. *There is no minimum dollar figure established for meeting the requirement of "substantial" investment. Substantiality is normally determined by using a "proportionality" test in which the amount invested is weighed against one of the following factors:*
   i. *the total value of the particular enterprise in question; or*
   ii. *the amount normally considered necessary to establish a viable enterprise of the nature contemplated.*

   Only the amount already invested or irrevocably committed for investment can be considered in determining substantiality.

6. *The enterprise must be a real and active, commercial or entrepreneurial undertaking which operates continuously to produce some service or commodity for profit. Passive investment in developed or undeveloped real estate does not qualify.*

7. *The objective of investor status is to promote productive investment in Canada. Therefore, an applicant is not entitled to this status if the investment, even if substantial, will return only enough income to provide a living for the applicant and family.*

You may also qualify for **investor** status if, in addition to meeting the general requirements described in Section I, you meet the following criteria:

a. you are an employee of a person who already maintains investor status in Canada;
b. you are discharging an executive or supervisory function, or you possess skills essential to the firm's operations in Canada *[see interpretive notes 4, 5 and 6 on pages 14-15];* and
c. your employer meets the following criteria:

Employer qualifications: The prospective employer in Canada is a citizen of the United States or Mexico who is maintaining investor status in Canada. A citizen of the United States or Mexico who has permanent resident status in Canada cannot qualify to bring an employee into Canada under investor status.

If the prospective employer is a corporation or other business organization, the majority ownership must be held by citizens of the United States or Mexico who, if not residing in the United States or Mexico, are maintaining Investor status in Canada. Shares of a corporation or other business organization owned by a United States or Mexican citizen who is a permanent resident of Canada cannot be considered in determining majority ownership.

How long can I remain in Canada?

There is no time limit on how long you can remain in Canada as a trader and investor. Temporary entry may be extended as long as the qualifying requirements for entry as a trader and investor continue to be met. Termination would occur if you take another job, engage in an activity which is not consistent with this status, close down the business, etc.

What Canadian immigration documents will be issued to me?

If you qualify in this category, you will be issued an employment authorization. An employment authorization issued at the time of entry can have a maximum duration of one year. Extensions may be granted for a duration of up to two years at a time, provided that the requirements outlined in the foregoing sections continue to be met.

SECTION IV: WHERE CAN I APPLY?

Most business persons, other than traders and investors, can apply for entry under the NAFTA at a Canadian port of entry (land border, airport or seaport). Remember that the NAFTA has no effect on travel document requirements (American citizens do not require passports but must be able to prove U.S. citizenship; Mexican citizens require passports but do not require Canadian visitor's visas).

Business visitors do not require employment authorizations and so can apply only upon arrival at a Canadian port of entry. There are no application forms to complete. **Intra-company transferees** and **professionals** have a choice: they may complete an application for an employment authorization upon arrival at a Canadian port of entry; or they may apply, before departing for Canada, at a Canadian consulate or embassy in the United States or Mexico *[see Annex C],* or anywhere else in the world.

Traders and investors must complete an application for an employment authorization **before** departing for Canada, at a Canadian consulate or embassy in the United States or Mexico *[see Annex C],* or anywhere else in the world. As well, traders and investors are required to provide information on their trading activities, or current or planned investment, by completing an Application for Trader/Investor Status (IMM 5321).

At the time of writing, a processing fee of $150.00 (Canadian) for an employment authorization is payable at the time of application and is non-refundable, regardless of whether an application results in an employment authorization being issued and entry granted. The amount is subject to change from time to time.

Applications for **professional** or **intra-company transferee** status may also be made in Canada by American citizens who have visitor status.

Applications for **professional**, **intra-company transferee** or **trader** and investor status may also be made in Canada by Mexican citizens who have visitor status.

To avoid delays and possible disappointment, ensure that you have with you all relevant documentation to support your application for entry to Canada *[see Section III for requirements applicable to each NAFTA category].*

SECTION V: THINGS TO KEEP IN MIND

Prohibition on secondary employment
It is important to remember that you cannot work for an employer in Canada who is not named on your employment authorization. You are therefore prohibited from accepting secondary employment without proper authority.
In the professional category, it is possible to work for more than one employer or contractor at a time, provided:

- all jobs are at a professional level in an occupation named on Appendix 1603.D.1 of the NAFTA *[see Annex B];*
- you are qualified to work in that occupation; and
- all employers are named on your employment authorization.

Spouses and children
Your spouse and children may accompany you to Canada, provided they meet the same general entry provisions which apply to all visitors to Canada.
Ensure that your accompanying family members have appropriate documentation for travel to Canada. This will depend on their nationality:

- Canadian citizens do not require passports to return to Canada but must provide evidence of citizenship (birth certificate, Canadian citizenship certificate or valid Canadian passport);
- United States citizens and permanent residents do not require passports to travel to Canada but must provide proof of citizenship or of permanent residence in the United States (e.g., valid United States passport, certificate of American citizenship, United States resident alien card *[green card],* or **annotated** temporary resident card *[form I-688].*
- Mexican citizens require passports but do not require Canadian visitor's visas;
- Nationals of any other country require a valid (not expired) passport and may require a Canadian visitor's visa. Check with a Canadian embassy or consulate to establish whether a Canadian visitor's visa is required and make application well in advance of your anticipated travel date.

Unless they qualify independently for entry under the NAFTA or other exemptions, spouses and children of working age who wish to work in Canada must go through the regular job validation process applicable to all temporary foreign workers.
If your spouse and/or children plan to study in Canada, remember to apply for student authorizations for them. This can be done in Canada but it would be preferable if it were done in advance of arrival, at a Canadian consulate or embassy in the United States or Mexico, or anywhere else in the world. Remember that a student authorization does not replace the need for a Canadian visitor's visa (if applicable).

Applying for extension of status
If you wish to extend your stay in Canada, you can apply for an extension of your employment authorization, as well as for extensions to student authorizations and visitor's status for family members. Applications must be submitted in writing, at least one month before status is due to expire. Failure to apply for an extension will result in a loss of visitor status.
To obtain application kits, call the number listed under "Immigration" in the Government of Canada section (blue pages) of the local telephone directory and ask for the application kit **Applying in Canada for: Extension of Visitor Status, Student Authorization, Employment Authorization or Extension of Minister's Permit** (as applicable). The necessary forms and instructions will be mailed to you. Kits may also be picked up in person at local Canada Immigration offices or Government of Canada InfoCentres.

Labour disputes
Be aware that under Article 1603.2 of the NAFTA, Canada may refuse to issue an employment authorization to a business person where the temporary entry of that person might affect adversely the settlement of a labour dispute that is in progress at the place or intended place of employment, or the

employment of any person who is involved in such dispute. The immigration officer will provide, in writing, the reasons for refusal.

SECTION VI: OTHER PROVISIONS OF THE NAFTA WHICH AFFECT BUSINESS TRAVELLERS

Following is a brief summary of eased Customs requirements for business travellers under the NAFTA. For complete information, it is suggested that you contact your nearest Canadian embassy or consulate *[for those located in the United States and Mexico, see Annex C]*.

Commercial samples and printed advertising materials
NAFTA provides for the duty-free importation of certain commercial samples and printed advertising materials. The commercial samples must be of negligible value (i.e. their value cannot exceed one U.S. dollar, or the equivalent in the currency of Mexico or Canada), or they must be marked, torn, perforated, or otherwise unsuitable for sale or use except as commercial samples. Only printed advertising materials classified in Chapter 49 of the Harmonized Tariff Schedules can be imported duty-free under this provision. The list includes brochures, pamphlets, leaflets, trade catalogues, and yearbooks.

Temporary admissions
The NAFTA requires Canada, Mexico and the United States to grant duty-free temporary admission to certain classes of goods imported from another NAFTA country. Duty-free entry cannot be conditioned on whether directly competitive or substitutable goods are available in the importing country. In addition, the goods do not have to originate in a NAFTA country.

1. **Professional equipment (tools of the trade), trade show displays**
   A person can temporarily import, duty-free, the following goods: professional equipment (tools of the trade); equipment for the press or for sound or television broadcasting; cinematographic equipment; goods for sports purposes; and goods for display or demonstration. As a condition of duty-free entry, these goods:

   - must not be sold or leased while in Canada;
   - must be accompanied by a bond if they are not originating goods, as defined in Chapter 4 of the NAFTA;
   - only remain in Canada until the departure of the person, or within a reasonable time;
   - be capable of identification when exported;
   - be imported in no greater quantity than is reasonable for their intended use;
   - be imported by a national or resident of the United States or Mexico, seeking temporary entry;
   - be used solely by or under the personal supervision of the person importing the good in the exercise of the business activity, trade or profession.

   Be aware that although professional equipment is duty-free, it may still be subject to the Canadian goods and services tax (GST).

2. **Commercial samples and advertising films**
   Commercial samples and advertising films can also be imported temporarily into Canada without the payment of duties. As a condition of duty-free entry, the goods must:

   - be imported solely for soliciting orders for goods or services from another country;
   - not be sold, leased, or put to any use other than exhibition or demonstration, while in Canada;
   - be capable of identification when exported;
   - be exported within such period as is reasonably related to the purpose of the temporary admission; and

- be imported in no greater quantity than is reasonable for their intended use.

3. **After-sales service/service providers**
No customs duties are assessed on goods that are exported for repair or alteration, free of charge and pursuant to a warranty, to the United States or Mexico and then reimported into Canada. This is true regardless of the origin of the goods and regardless of whether the goods could have been repaired or altered in Canada.
Be aware, however, that Canada applies customs duties on the value of repairs or alterations whenever a charge is levied.
[Source: Trilateral Customs Guide to NAFTA
Revenue Canada
Customs, Excise and Taxation]

SECTION VII: CONTACT POINTS FOR FURTHER QUESTIONS

If you require more information on temporary entry to Canada under the NAFTA, please contact your nearest Canadian embassy or consulate *[for those located in the United States and Mexico, see Annex C]*. In Canada, please contact a local Immigration office, listed under the Government of Canada section (blue pages) of the local telephone directory.
Copies of other publications related to the NAFTA can be obtained from the appropriate governments at the following locations:

Canada

Infocentre
Foreign Affairs and International Trade Canada
125 Sussex Drive
Ottawa, Ontario K1A 0G2
Telephone: (613) 944-4000 (Ottawa area)
1-800-267-8376
Facsimile: (613) 996-9709

Mexico

SECOFI
Piso 18
Coordinación Sectorial
Alfonso Reyes No. 30
16079 México, D.F.

United States

Commerce Department -- NAFTA Facts
Office of the NAFTA automated information service
Telephone: (202) 482-4464

Just call the 24 hour phone line.
The three documents on temporary entry are coded 3012, 3013 and 3014.

ANNEX A: APPENDIX 1603.A.1:
BUSINESS VISITORS
(amended to include interpretive notes)

Research and Design

- Technical, scientific and statistical researchers, conducting independent research or research for an enterprise located in the territory of another Party *[i.e. in the United States or Mexico]*.

Growth, Manufacture and Production

- Harvester owner supervising a harvesting crew admitted under applicable law.

Interpretive notes:

4. *"Harvester" refers to a machine used for gathering agricultural crops, such as, grains, fruits and vegetables.*
5. *"Supervising" does not include hands-on work.*
6. *"Applicable law" refers to Canada Employment Centre job validation and employment authorization documentation.*

- Purchasing and production management personnel conducting commercial transactions for an enterprise located in the territory of another Party *[i.e. in the United States or Mexico]*.

Marketing

- Market researchers and analysts conducting independent research or analysis or research or analysis for an enterprise located in the territory of another Party *[i.e. in the United States or Mexico]*.

- Trade fair and promotional personnel attending a trade convention.

Interpretive notes:

1. *Where the business of the convention involves sales rather than simple promotion, the provisions under* ***Sales*** *apply.*
2. *Organizers of trade fairs whose exhibitors are wholly of American or Mexican origin may be granted entry under this provision. Organizers will not be granted entry where Canadian exhibitors will be included in a trade convention.*
3. *Exhibitors are permitted to enter Canada with display items and advertising films relevant to the exhibit [see Section VI].*

Sales

- Sales representatives and agents taking orders or negotiating contracts for goods or services for an enterprise located in the territory of another Party *[i.e. in the United States or Mexico]* but not delivering goods or providing services.

Interpretive notes:

1. *Sales representatives and agents cannot sell Canadian-made goods or services provided by a Canadian.*
2. *Sales to the general public are allowed, provided that the goods or services are not delivered or available to the buyer at the time of sale (on the same business trip). The seller may only take orders for the goods or enter into contracs for the services.*
3. *Sellers are permitted to enter Canada with the necessary number of samples required for display purposes [see Section VI].*

- Buyers purchasing for an enterprise located in the territory of another Party [i.e. in the United States or Mexico].

Distribution

- Transportation operators transporting goods or passengers to the territory of a Party from the territory of another Party or loading and transporting goods or passengers from the territory of a Party, with no unloading in that territory, to the territory of another Party.

[Interpretation: American and Mexican transportation operators who are transporting goods or passengers to Canada from the United States or Mexico; or loading and transporting goods or passengers from Canada, with no unloading in Canada, to the United States or Mexico.]

The NAFTA defines a **transportation operator** as

"a natural person, other than a tour bus operator, including relief personnel accompanying or following to join, necessary for the operation of a vehicle for the duration of a trip".

Interpretive notes:

3. *This provision includes those persons necessary for the operation of a land transportation conveyance used for the transportation of goods and/or passengers, i.e., the driver and other persons on the vehicle providing services that support the moving operation of the vehicle (for instance, persons providing services to passengers and persons providing services necessary for the movement of the conveyance).*
4. *The parties to the NAFTA have agreed that while pilot car drivers cannot be defined under the Distribution provision of Appendix 1603.A.1, their entry should nonetheless be facilitated. Persons operating highway pilot cars (vehicles leading and following other vehicles transporting over-size loads or hazardous loads) can be admitted as visitors (pursuant to R19(1)(e)).*
5. *Taxi-drivers and passenger-van operators may enter to pick up passengers for delivery to the United States pursuant to an oral or written contract for services, provided that all passengers picked up are disembarked only in the United States.*
6. *Although truck drivers involved in international hauling of goods should not normally become involved in the loading or unloading of cargo, there are instances where it is acceptable, e.g., in non-warehouse situations and for cargo such as furniture, chemicals, livestock and building materials. Thus, in special circumstances, particularly involving load safety, the provision also allows the driver, including a relay driver, and the other persons described to participate in the loading and unloading of goods.*
7. *This provision does not apply to a person whose only or main job duty is to load or unload the vehicle. Thus, the crew of a moving van, other than a driver, is not covered; nor is a helper on a delivery truck (for instance, a helper on a truck delivering large appliances from a store in an American border town to a Canadian customer).*
8. *An American or Mexican truck driver may load goods in the United States or Mexico, then deliver partial loads at several locations in Canada. An American or Mexican driver may also pick up goods in Canada at one or more locations and take them to the United States or Mexico. The American or Mexican driver may combine any or all of these pick-ups and deliveries in one trip as long as the goods picked up in Canada have a final destination in the United States or Mexico and are not delivered to another Canadian location. Cabotage, which is pick-up and delivery of the same goods between one location in Canada and another, is not permitted.*
9. *Bus drivers may transport passengers in the same way that truck drivers may transport goods. As long as the trip originates or terminates in the United States or Mexico, the bus driver may take the bus to one or several Canadian locations and disembark or board passengers along the way as long as no individuals both join and leave the bus while it is in Canada.*
10. *Relay drivers (drivers who drive a portion or portions of a route) are also covered by this provision. A relay truck or bus driver need not enter Canada on the truck or bus. A relay driver may enter Canada within a reasonable time*

before or after the truck or bus enters.

- With respect to temporary entry into the territory of the United States, Canadian customs brokers performing brokerage duties relating to the export of goods from the territory of the United States to or through the territory of Canada.

- With respect to temporary entry into the territory of Canada, United States customs brokers performing brokerage duties relating to the export of goods from the territory of Canada to or through the territory of the United States.

- Customs brokers providing consulting services regarding the facilitation of the import or export of goods.

Interpretive note:
This provision covers American and Mexican customs brokers travelling to Canada to consult and not to provide brokerage services

After-Sales Service

- Installers, repair and maintenance personnel, and supervisors, possessing specialized knowledge essential to a seller's contractual obligation, performing services or training workers to perform services, pursuant to a warranty or other service contract incidental to the sale of commercial or industrial equipment or machinery, including computer software, purchased from an enterprise located outside the territory of the Party into which temporary entry is sought, *[i.e., Canada]*, during the life of the warranty or service agreement. *[See Section III (pages 5-8) for interpretive notes on after-sales service. See Section VI for guidance on customs duties applicable to repairs and alterations performed under warranty.]*

General Service

- Professionals engaging in a business activity at a professional level in a profession set out in Appendix 1603.D.1 *[see Annex B for the list of professions]*.

- Management and supervisory personnel engaging in a commercial transaction for an enterprise located in the territory of another Party *[i.e. in the United States or Mexico]*.

- Financial services personnel (insurers, bankers or investment brokers) engaging in commercial transactions for an enterprise located in the territory of another Party *[i.e. in the United States or Mexico]*.

- Public relations and advertising personnel consulting with business associates, or attending or participating in conventions.

Interpretive notes:
8. *"Business associates" refers to colleagues or clients.*
9. *Entry to Canada with samples, display items and advertising materials relevant to the business activity is permitted [see Section VI].*

- Tourism personnel (tour and travel agents, tour guides or tour operators) attending or participating in conventions or conducting a tour that has begun in the territory of another Party *[i.e. in the United States or Mexico]*.

Interpretive note:
Tourism personnel and tour participants must congregate at a point in the United States or Mexico and travel as a group when entering Canada.

- Tour bus operators entering the territory of a Party *[i.e. Canada]*:
  d. with a group of passengers on a bus tour that has begun in, and will return to, the territory of another Party *[i.e. the United States or Mexico]*;

e. to meet a group of passengers on a bus tour that will end, and the predominant portion of which will take place, in the territory of another Party *[i.e. in the United States or Mexico]*; or

f. with a group of passengers on a bus tour to be unloaded in the territory of the Party into which temporary entry is sought *[i.e. Canada]* and returning with no passengers or reloading with the group for transportation to the territory of another Party *[i.e. to the United States or Mexico]*.

The NAFTA defines a **tour bus operator** as
"a natural person, including relief personnel accompanying or following to join, necessary for the operation of a tour bus for the duration of a trip".

Interpretive notes:

6. *A foreign tour bus operator may be admitted as a Business Visitor for a tour of one or several Canadian locations as long as the trip originates **and/or** terminates in the United States or Mexico. While passengers may be boarded or dropped at a location in Canada, no individuals may both join and leave the bus while it is in Canada.*
7. *If a tour originates in Canada (i.e., a bus enters Canada to pick up passengers), the predominant portion of the tour must then take place in the United States or Mexico in order to preserve the international nature of the tour. Passengers may be returned to Canada following the tour which has taken place predominantly in the U.S. or Mexico.*
8. *Tours that originate in Canada and take place predominantly in Canada, with a minimum time spent in the united States or Mexico, do not qualify under NAFTA even if the bus crosses the international boundary during the course of the tour. Operators of such a tour would **not** be admissible as "business visitors".*
9. *As well, foreign tour bus operators and transportation operators are still prohibited from conducting "point to point" service (i.e., "cabotage") within Canada - e.g., cannot pick up passengers in Canada when the final destination of those passengers is another location in Canada.*
   For instance while an American tour bus operator is allowed to pick up from and return passengers to Canada, specifically for a tour which will take place predominantly in the U.S., the tour bus operator cannot pick and drop off additional passengers in Canada on his way to the U.S. or when returning from the U.S. following the tour.
10. *Relay drivers (drivers who drive a portion or portions of a route) are also covered by this provision. A relay tour bus driver need not enter Canada on the tour bus. A relay driver may enter Canada within a reasonable time before or after the tour bus enters.*

- Translators or interpreters performing services as employees of an enterprise located in the territory of another Party *[i.e. in the United States or Mexico]*.

ANNEX B: APPENDIX 1603.D.1:
PROFESSIONALS
(amended to include interpretive notes)

Profession(1)	***Minimum Education Requirements and Alternative Credentials***
General	
Accountant	Baccalaureate or Licenciatura Degree; or C.P.A., C.A., C.G.A. or C.M.A.
Architect	Baccalaureate or Licenciatura Degree; or state/provincial license (2)
Computer Systems Analyst	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma (3) or Post-Secondary Certificate (4), and three years experience
Disaster Relief Insurance Claims Adjuster (claims adjuster employed by an insurance company located in the territory of a Party, or an independent claims adjuster)	Baccalaureate or Licenciatura Degree, and successful completion of training in the appropriate areas of insurance adjustment pertaining to disaster relief claims; or three years experience in claims adjustment and successful completion of training in the appropriate areas of insurance adjustment pertaining to disaster relief claims
Interpretive note: *For the purposes of this provision, a disaster shall be an event so declared by the Insurance Bureau of Canada or sub-committee thereof through activating the Insurance Emergency Response Plan.* 7. A business person seeking temporary entry under this Appendix may also perform training functions relating to the profession, including conducting seminars. *The subject of the workshop or seminar must be in the field for which professional qualifications is held. The workshop or seminar must be for professional training or development purposes related to the occupations or to the duties of the participants.* 8. "State/provincial license" and "state/provincial/federal licence" mean any document issued by a state, provincial or federal government, as the case may be, or under its authority, but not by a local government, that permits a person to engage in a regulated activity or profession. 9. "Post-Secondary Diploma" means a credential issued, on completion of two or more years of post-secondary education, by an accredited academic institution in Canada or the United States. 10. "Post-Secondary Certificate" means a certificate issued, on completion of two or more years of post-secondary education at an academic institution, by the federal government of Mexico or a state government in Mexico, an academic institution recognized by the federal government or a state government, or an academic institution created by federal or state law.	
Economist	Baccalaureate or Licenciatura Degree
Engineer	Baccalaureate or Licenciatura Degree; or state/provincial license
Forester	Baccalaureate or Licenciatura Degree; or state/provincial license
Graphic Designer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years experience
Hotel Manager	Baccalaureate or Licenciatura Degree in hotel/restaurant management; or Post-Secondary Diploma or Post-Secondary Certificate in

	hotel/restaurant management, and three years experience in hotel/restaurant management
Interpretive note: *This provision refers to a management position to which other managers report, e.g., general manager, director.*	
Industrial Designer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years experience
Interior Designer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years experience
Land Surveyor	Baccalaureate or Licenciatura Degree; or state/provincial/federal license
Landscape Architect	Baccalaureate or Licenciatura Degree
Lawyer (including Notary in the Province of Quebec)	LL.B., J.D., LL.L., B.C.L. or Licenciatura Degree (five years); or membership in a state/provincial bar
Librarian	M.L.S. or B.L.S. (for which another Baccalaureate or Licenciatura Degree was a prerequisite)
Interpretive note: *A librarian must have either* 4. *A Master of Library Science degree or* 5. *A Bachelor of Library Science and another Baccalaureate degree which was necessary to enter the B.L.S. program.*	
Management Consultant	Baccalaureate or Licenciatura Degree; or equivalent professional experience as established by statement or professional credential attesting to five years experience as a management consultant, or five years experience in a field or specialty related to the consulting agreement
Interpretive notes: 4. *A management consultant provides services which are directed toward improving the managerial, operating, and economic performance of public and private entities by analyzing and resolving strategic and operating problems. Thus, the client's goals, objectives, policies, strategies, administration, organization and operation are improved.* 5. *A management consultant may provide the following range of services:* • *conduct a comprehensive examination of the client's business to isolate and define problems;* • *prepare a presentation and report all findings to the client;* • *work with the client to design and implement in-depth working solutions.* 6. *Management consultants may assist and advise in implementing recommendations but do not perform functional/operational work for clients.* 7. *Any training or familiarization that is provided to a Canadian client must be incidental to the implementation of new systems and procedures which were recommended in the management consulting report and must be performed by permanent employees of the recommending management consulting firm.* 8. *Typically, a management consultant is an independent contractor or an employee of a consulting firm under contract to a Canadian client. A management consultant can also occupy a permanent position on a temporary basis with a Canadian management consulting firm.*	
Mathematician (including Statistician)	Baccalaureate or Licenciatura Degree
Range Manager/Range Conservationalist	Baccalaureate or Licenciatura Degree
Research Assistant (working in a post-secondary educational institution)	Baccalaureate or Licenciatura Degree
Scientific Technician/Technologist	Possession of (a) theoretical knowledge of any of

[A business person in this category must be seeking temporary entry to work in direct support of professionals in agricultural sciences, astronomy, biology, chemistry, engineering, forestry, geology, geophysics, meteorology or physics.]	the following disciplines: agricultural sciences,astronomy, biology, chemistry, engineering, forestry, geology, geophysics, meteorology or physics; and (b) the ability to solve practical problems in any of those disciplines, or the ability to apply principles of any of those disciplines to basic or applied research
Interpretive notes: 11. *A baccalaureate degree is not normally held by a scientific technician/technologist; therefore, an applicant must possess the skills noted above.* 12. *Basic research is theoretical or conceptual and is not conducted with a specific purpose or result in mind. Applied research is conducted with a practical or problem-solving purpose in mind.*	
Social Worker	Baccalaureate or Licenciatura Degree
Sylviculturist (including Forestry Specialist)	Baccalaureate or Licenciatura Degree
Technical Publications Writer	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years experience
Urban Planner (including Geographer)	Baccalaureate or Licenciatura Degree
Vocational Counsellor	Baccalaureate or Licenciatura Degree
Medical/Allied Professional	
Dentist	D.D.S., D.M.D., Doctor en Odontologia or Doctor en Cirugia Dental; or state/provincial license
Dietitian	Baccalaureate or Licenciatura Degree; or state/provincial license
Medical Laboratory Technologist (Canada)/Medical Technologist (Mexico and the United States) [A business person in this category must be seeking temporary entry to perform in a laboratory chemical, biological, hematological, immunologic, microscopic or bacteriological tests and analyses for diagnosis, treatment or prevention of disease.]	Baccalaureate or Licenciatura Degree; or Post-Secondary Diploma or Post-Secondary Certificate, and three years experience
Nutritionist	Baccalaureate or Licenciatura Degree
Occupational Therapist	Baccalaureate or Licenciatura Degree; or state/provincial license
Pharmacist	Baccalaureate or Licenciatura Degree; or state/provincial license
Physician (teaching or research only)	M.D. or Doctor en Medicina; or state/provincial licence
Interpretive note: *Physicians may not enter for the purpose of providing direct patient care. Patient care incidental to teaching and/or research is permissible.*	
Physiotherapist/Physical Therapist	Baccalaureate or Licenciatura Degree; or state/provincial license
Psychologist	State/provincial license; or Licenciatura Degree
Recreational Therapist	Baccalaureate or Licenciatura Degree
Registered Nurse	State/provincial license; or Licenciatura Degree
Interpretive note: *To be admitted as a registered nurse, a licence issued by the province of destination is necessary.*	

Veterinarian	D.V.M., D.M.V. or Doctor en Veterinaria; or state/provincial license
Scientist	
Agriculturist (including Agronomist)	Baccalaureate or Licenciatura Degree
Animal Breeder	Baccalaureate or Licenciatura Degree
Animal Scientist	Baccalaureate or Licenciatura Degree
Apiculturist	Baccalaureate or Licenciatura Degree
Astronomer	Baccalaureate or Licenciatura Degree
Biochemist	Baccalaureate or Licenciatura Degree
Biologist	Baccalaureate or Licenciatura Degree
Chemist	Baccalaureate or Licenciatura Degree
Dairy Scientist	Baccalaureate or Licenciatura Degree
Entomologist	Baccalaureate or Licenciatura Degree
Epidemiologist	Baccalaureate or Licenciatura Degree
Geneticist	Baccalaureate or Licenciatura Degree
Geologist	Baccalaureate or Licenciatura Degree
Geochemist	Baccalaureate or Licenciatura Degree
Geophysicist (including Oceanographer in Mexico and the United States)	Baccalaureate or Licenciatura Degree
Horticulturist	Baccalaureate or Licenciatura Degree
Meteorologist	Baccalaureate or Licenciatura Degree
Pharmacologist	Baccalaureate or Licenciatura Degree
Physicist (including Oceanographer in Canada)	Baccalaureate or Licenciatura Degree
Plant Breeder	Baccalaureate or Licenciatura Degree
Poultry Scientist	Baccalaureate or Licenciatura Degree
Soil Scientist	Baccalaureate or Licenciatura Degree
Zoologist	Baccalaureate or Licenciatura Degree
Teacher	
College	Baccalaureate or Licenciatura Degree
Seminary	Baccalaureate or Licenciatura Degree
University	Baccalaureate or Licenciatura Degree

Interpretive notes:

10. *The duties of a university teacher include: teaching one or more subjects within a prescribed curriculum; preparing and delivering lectures to students; conducting seminars or laboratory sessions; stimulating and guiding class discussions; compiling bibliographies of specialized materials for outside reading assignment; preparing and administering examinations and grading answer papers, assigning and marketing essays; directing research programs of graduate students; conducting research in a particular field of knowledge, and publishing findings in books or professional journals; serving on faculty committees concerned with such matters as curriculum revision, academic planning and degree requirements; advising students on academic and other matters; assisting students with the conduct of various scholarly, cultural and politicial clubs or societies; providing professional consultative services to government, industry and private individuals; attending regional and international conferences dealing with academic specializations; and teaching as required in an adult education or university extension program, by means of correspondence courses or night classes. Teachers at this level usually specialize in one subject, or two or more related subjects.*
11. *Teaching at educational institutions where the course material is at less than post-secondary level, regardless of how that institution is described, does not qualify (e.g. an institution called the "College of Adult Education," specializing in training or retraining courses at the secondary*

school level).

12. *The NAFTA augments the existing provisions respecting exchange professors, guest lecturers and visiting professors.*
13. *The NAFTA has no effect on a post-secondary institution's policy to "hire Canadians first".*

ANNEX C: CANADIAN EMBASSIES AND CONSULATES PROVIDING NAFTA SERVICE IN THE UNITED STATES AND MEXICO

UNITED STATES

Canadian Embassy

501 Pennsylvania Avenue N.W.
WASHINGTON, D.C. 20001
Tel: (202) 682-1740
Fax: (202) 682-7689

Canadian Consulates General

One Marine Midland Center
Suite 3000
BUFFALO, N.Y. 14203-2884
Tel: (716) 858-9500
Fax (716) 852-2477

600 Renaissance Center
Suite 1100
DETROIT, Mich. 48243-1798
Tel: (313) 567-2340
Fax: (313) 567-2164

550 South Hope Street, 9th Floor
LOS ANGELES, Cal. 90071
Tel: (213) 346-2700
Fax: (213) 625-7154

1251 Avenue of the Americas
NEW YORK, N.Y. 10020-1175
Tel: (212) 596-1628
Fax: (212) 596-1791

412 Plaza 600
Sixth and Stewart
SEATTLE, Wash. 98101-12860
Tel: (206) 443-1377
Fax: (206) 441-7838

MEXICO

Canadian Embassy

Schiller 529
Col. Polanco
11560 Mexico, D.F.

Mailing address:
P. O. Box 105-05
11560 Mexico, D.F.
Tel: (52-5) 724-7900
Fax: (52-5) 724-7983

Guide to Importing Commercial Goods

RC4041(E) Rev. 00

Serving Canadians

We at the Canada Customs and Revenue Agency (CCRA) are at Canada's entry points to protect Canadian people, businesses and society. In carrying out our responsibilities, our commitment is to provide fair, courteous, and efficient service. Our service will be in the official language of your choice at designated bilingual offices.

Our presence at the border helps to control the illegal entry of goods into Canada. We keep out goods that could threaten our health, environment, or agriculture. We also help keep Canadian businesses competitive by administering trade agreements and import/export policies.

The information in this guide was accurate at the time it was published. However, legislative provisions and requirements could change at any time. We make every effort to provide updates in a timely manner.

La version française de cette publication est intitulée *Guide sur l'importation des marchandises commerciales.*

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Introduction

Is this guide for you?

You will find this guide helpful if you need information about importing goods. We have also included information on other customs processes, such as transporting, and warehousing your goods.

Where can you find more information?

The information we provide in this guide is general in nature, and covers a wide range of business situations. Throughout this document, we refer you to other Canada Customs and Revenue Agency (CCRA) brochures, leaflets, and technical memoranda that contain more detailed information. Copies of these publications may be obtained at most CCRA offices across the country, or by contacting our Forms and Publications Distribution Centre toll-free at 1-800-959-2221.

The D series Memoranda contains more specific, technical information on each part of the importing process. You will find reference copies of these publications in most customs offices. You can also buy a complete set of these publications by contacting:

Canada Communication Group
Publishing Centre

Tel.: (819) 956-4800
Fax: (819) 994-1498

Internet access

You can also find many of our publications on our Internet site at: **www.ccra-adrc.gc.ca**

Business seminars

At the CCRA, we hold seminars for new businesses on various issues, including customs. If you would like to participate in a business seminar, call the CCRA's Automated Customs Information Service (ACIS) and ask an agent for details on the next seminar scheduled for your area. You can find this number in "Appendix C" of this publication, or under the listings in the government section of your telephone book.

Need information on exporting?

If you need information on exporting goods from Canada, see the brochure called *Exporting Goods From Canada – A Handy Customs Guide for Exporters.*

Getting Started

The information in this guide follows the commercial import process step by step. By getting answers to some basic questions beforehand, you will save time and money by ensuring we release your goods as quickly as possible.

What documents do you need from the vendor or exporter of your shipment?

The vendor or exporter (the person or company that sold you the goods) should give you a sales receipt or invoice that describes the goods in detail and shows the purchase price.

The vendor or exporter should also provide you with a certificate of origin so the goods may qualify for lower duty rates, such as those outlined in the North American Free Trade Agreement (NAFTA), or the Canada-Israel Free Trade, Agreement (CIFTA).

For details, see the section called "Certificates of origin" on page 9 of this guide.

What books and records do you have to keep?

As an importer, you have to keep books and records to substantiate what goods you imported, the quantities, the prices you paid, and the goods' origin. You have to keep records in Canada, in either paper or electronic format, for six years after the year you import the goods. If you want to keep your records outside Canada, you have to get our written approval.

Even if a customs broker carries out customs activities on your behalf, you should also keep the records on your premises. As the importer, you are responsible for all records on reporting, releasing, accounting for, and paying for goods, as well as any later adjustments.

For more details, see Memorandum D17-1-21, *Maintenance of Records and Books in Canada by Importers.*

What is a carrier?

A carrier is the person or company who transports your goods. As the importer, you can be your own carrier. Your carrier can bring your goods into Canada by air, highway, marine, rail, or international mail.

What records does your carrier have to keep?

Your carrier has to keep records at the place of business in Canada for three years after the year it transported your goods to Canada. These records can include charts of accounts, trip logs, movement history reports, and bills of lading. They may include paper documents or those stored electronically. Carriers can keep these records outside Canada if they receive written permission from us.

Where will we process your shipment once it arrives in Canada?

We process most shipments at the border point (e.g., highway border, rail border, international airport, seaport, or customs mail centre). We can process and release international mail only at the five customs mail centres across Canada. However, you can choose to have us

release the goods at an inland office, which is a customs office not located at the border.

For example, your shipment arrives at Fort Erie, Ontario, but you want us to release it in Toronto. In this case, after your carrier reports the goods at Fort Erie, it must have posted security with customs to carry them to one of the approved inland Toronto sites.

Only carriers who have posted security with us (bonded carriers) can transport non-duty-paid goods between points in Canada.

Is the office an alternate service site?

We process commercial goods for some of our smaller service points at nearby larger offices, called **hubs**. You can forward your release documentation directly to the hub by facsimile or electronic transmission, or the warehouse operator can do this on your behalf. Once we make a release decision, we will transmit this information immediately to you or the warehouse operator, who will then release the goods to you. For more details on alternate service, call the CCRA's ACIS and speak to an agent. You can find this number in "Appendix C" of this publication, or under the listings in the government section of your telephone book.

What are the service hours at Canada Customs and Revenue Agency customs offices?

There are 22 customs offices that offer commercial service 24 hours a day. Others provide commercial service from 8:00 a.m. to midnight, and others are only open to release commercial shipments during regular office hours (e.g., 8:00 a.m. to 5:00 p.m.).

If you are importing goods that you need to use immediately in production or manufacturing, you may benefit from releasing your shipment during off-peak times. During off-hours, traffic congestion and waiting lines for counter service are reduced. Therefore, we should be able to release your shipment more quickly at that time than during busier periods.

You can get more details on office hours and peak-period traffic patterns from your nearest customs office. For a listing of all customs offices, their addresses, telephone numbers, and service hours, see Memorandum D1-1-1, *List of Customs Offices*, or contact the CCRA's ACIS and speak to an agent. You can find this number in "Appendix C" of this publication, or under the listings in the government section of your telephone book.

What is the difference between duties and customs duty?

Duties include any duties or taxes levied under the *Customs Tariff*, the *Excise Tax Act*, the *Excise Act*, or the *Special Import Measures Act*. Customs duty includes only the duties prescribed under the *Customs Tariff*.

Who prepares your customs documents and presents them to the Canada Customs and Revenue Agency?

Carriers provide us with the appropriate documents to report the arrival of your shipments. The transportation mode determines what type of reporting document the carrier must use.

As an importer, you also need to submit release or accounting documents, which you can either prepare yourself, or hire a customs broker to do on your behalf. In this document, when we refer to **you**, we are talking about you as an importer or your customs broker in all matters except the reporting of goods by the carrier. For more information, see the section called "Step 5 – Accounting for Your Shipment" on page 8 of this guide.

What is a customs broker? What do brokers do?

We license customs brokers to carry out customs-related responsibilities on behalf of their clients. A broker's services include:

- obtaining release of the imported goods;
- paying any duties that apply;
- obtaining, preparing, and presenting or transmitting the necessary documents or data;
- maintaining records; and
- responding to any CCRA concerns after payment.

You will have to pay a fee for these services, which the brokerage firm establishes.

Brokers do **not** work for the federal government—they are not federal public servants.

As the importer, you remain liable for all duties owing until either you or your broker pays them. This applies regardless of whether or not you paid the amount to your broker.

How can you determine in advance what duties you will have to pay on your shipment?

Before your shipment arrives, we can assist you in determining the duties you will have to pay on the goods. It is important that you have a thorough description of the goods and know their value and origin. We can also give you advice about the appropriate valuation method, tariff classification, and tariff treatment. You can also request a National Customs Ruling on tariff classification or valuation. You can contact us by calling the CCRA's ACIS and speaking to an agent. The agent will refer you to a staff member who specializes in these matters. You can find this number in "Appendix C" of this publication, or under the listings in the government section of your telephone book.

For information on the national customs rulings service, see Memorandum D11-11-1, *National Customs Rulings (NCR)*.

All commercial goods you bring into Canada are subject to customs duty and the goods and services tax (GST), unless they are exempt or free of duties. Regardless of the currency you use to pay for your goods, you must always convert the value of the goods into Canadian funds to determine the duties payable.

Depending on the goods or their value, some other charges or taxes may apply, including excise duty and excise tax on luxury items like jewellery or alcohol.

Anti-dumping duty and countervailing duty

Under the *Special Import Measures Act*, we impose countervailing duties on imported goods that cause injury to Canadian industry through subsidies in the country of origin. We may also assess anti-dumping duties on goods you import into Canada at prices that are less than their selling price in the country of origin. For additional information, refer to the brochure called *The SIMA Self-Assessment Guide* as well as Memoranda D14 and D15 series.

Step 1 – Registering Your Import Business

As a commercial importer, you must have a Business Number for your import/export account.

The Business Number (BN)

The business number (BN) has 15 digits: nine numbers to identify the business, plus two letters and four numbers to identify the program and each account. The system includes major types of Canada Customs and Revenue Agency programs that many businesses may be registered for:

- GST;
- payroll deductions;
- corporate income tax; and
- import/export (identified by RM).

For example, your import/export account will look like this:

123456789RM0002

For more details on the BN and how it affects your business, see the Canada Customs and Revenue Agency publication called *The Business Number and Your Revenue Canada Accounts*. If your business is based in Quebec, see the publication called *The Business Number and Your Revenue Canada Accounts in Quebec*.

How do you get a BN import/export account?

You can register for a business number, or add an import/export account to an existing business number, by calling 1-800-959-5525. You may also obtain a business number by completing Form RC1, *Request for a Business Number (BN)*, or Form RC57, *Request for a Business Number (BN) – Quebec*, both of which are available from any CCRA office, or from the "Forms and publications" page of our Web site at **www.ccra-adrc.gc.ca**. Send the completed form to your nearest tax services office listed under the listings in the government section of your telephone book. We will give you an account free of charge as soon as we receive the form.

When do you use your BN import/export account?

You have to show your import/export account on your customs documents. This applies to most shipments that enter Canada.

You only use your import/export account for importing or exporting. If you do not use it, your account will expire after two years. You can reactivate it by contacting any customs office. If there is any change in your status (e.g., name or address change), you must report these changes to us as soon as possible.

Step 2 – Reporting Your Shipment

In most cases, the carrier reports your shipment to the CCRA when it arrives at the international border entry point.

You have to report most goods you import. We have listed the few exceptions in Memorandum D3-1-1, *Regulations Respecting the Importation, Transportation and Exportation of Goods*.

What documents do you or your carrier use to report your shipment?

Your carrier must either report all commercial goods you import into Canada on an approved cargo control document (CCD), or, in the case of rail and marine shipments, electronically transmit the cargo information using electronic data interchange (EDI) before arriving at the Canadian border.

You do not need to use a CCD when:

- you have line release privileges (see page 16 for details); or
- you personally transport the shipment and you obtain release by accounting for the goods and paying any duties at the customs office where the goods arrived.

o obtain release of your goods, you can use one of two methods:

- release with full accounting and payment;
- release on minimum documentation (RMD).

We can also authorize you to transmit your release information to us using electronic data interchange (EDI). For more details on this option, see the Appendix B called "Other Service Options" on page 16 of this guide.

Release on minimum documentation (RMD)

By using RMD, you can fast-track the release of your goods by accounting for and paying for your shipments after we release them. To take advantage of this privilege, you have to post an approved amount of security with us.

Our goal is to process **release requests** that are complete, accurate, and do not require examination of goods or review of permits, within the following times:

Release on Minimum Documentation (RMD)

- Electronic Data Interchange (EDI) 45 minutes
- EDI Machine Release 5 minutes
- Paper 2 hours

RMD release documentation requirements

Unless we examine your shipment, we will release it under RMD when you report your shipment by presenting a completed cargo control document, any import permits or health certificates, and, in most cases, two copies of a properly completed invoice. For details on these documents, see the section called "Step 5 – Accounting for Your Shipment" on page 8 of this guide.

Posting security

To take advantage of RMD, which includes uncertified cheque privileges, you have to post security with us. You can post security either locally or nationally, depending on whether or not you need your shipments released at various customs offices across the country.

You can use the following as security:

- cash;
- certified cheque;
- transferable Government of Canada bonds; or
- CCRA (Revenue Canada) customs bonds that a registered Canadian bank or approved financial institution has issued.

As the importer, your security amount is based on an amount equal to the average monthly duties you owed during the previous year, minus the GST, up to a maximum of $10 million.

In certain regions, you can post security at one location to cover release at nearby offices. For example, you can post security at the downtown Toronto office and we will honour that security at Pearson International Airport.

Transaction number

At the CCRA, we identify each shipment with a unique 14-digit transaction number. We use this transaction number to identify your shipment at various times throughout the customs process. Under the cash option, we assign a transaction number to the documents in the accounting package when you present them to obtain release of your goods.

If you have RMD privileges, we will assign you a unique five-digit account security number. This number will always appear as the first five digits of the transaction number. After you receive your account security number, you have to affix the transaction number in bar-coded format to your release and accounting documents for all later shipments.

Other service options

If you become an established importer with a sound compliance record and a high import volume, we offer other service options to speed up our processing and release of your goods.

For details on these faster release and processing options, see Appendix B on page 16 of this guide.

ou may not experience this step in the import process — we do not examine all shipments before releasing them. Under the *Customs Act* we have the authority to randomly select shipments for examination to verify compliance or to take samples in reasonable amounts. The frequency of examinations will depend on your compliance record and that of other persons or organizations involved with the shipment as well as the type of goods you are importing.

Why does the Canada Customs and Revenue Agency examine goods?

We may choose to examine your shipment for several reasons:

- to detect prohibited or restricted items (e.g., pornography, narcotics) or smuggled goods;
- to fulfil other government departments' legislative requirements (e.g., meat inspection, import permits); or
- to ensure the goods comply with customs legislation (i.e., to verify their description, value, quantity, and marking against the invoice information).

Examination costs

Because carriers are responsible for making shipments available to us for examination, you may ultimately have to pay for the examination costs associated with unloading and loading cargo. You may also have to pay special service charges for a customs officer's time and travel costs when the officer conducts examinations and releases goods at locations other than designated customs facilities, or when you need after-hours service

ou have to submit a final accounting package for shipments you import into Canada. In most cases, a complete accounting package consists of:

- two copies of the cargo control document (CCD);
- two copies of the invoice;
- two copies of a completed Form B3, *Canada Customs Coding Form*;
- any import permits, health certificates, or forms that other federal government departments require; and
- a Form A, *Certificate of Origin* (when necessary).

You can present paper copies of these documents or, if we give you the authorization, you can transmit this information using EDI. For information on electronic cargo, release, and accounting options, see the Appendix B called "Other Service Options" on page 16 of this guide.

The cargo control document

Your carrier uses the CCD to report your shipment to the CCRA. The most commonly used type of CCD is Form A8A, *Customs Cargo Control Document*. The CCD acts as our initial record of the shipment's arrival. This document is also used for all shipments moved in-bond to an inland customs office, sufferance warehouse, or bonded warehouse.

Your carrier also has to send you a copy of the CCD to inform you that your shipment has arrived.

The CCD must have a bar-coded cargo control number (CCN). The first four digits of the CCN must be the carrier's unique carrier code.

The invoice

You can use three invoicing options:

- a Canada Customs Invoice (CCI), which either you or the vendor can complete (for instructions on how to complete the CCI, see Memorandum D1-4-1, *Canada Customs Invoice Requirements*);
- a commercial invoice containing the same information as a CCI; or
- a commercial invoice which indicates the buyer, seller, country of origin, price paid or payable, and a detailed description of the goods, including quantity, **and** a CCI that provides the remaining information.

If you are using release on minimum documentation (RMD), your invoice must contain:

- your name and the import/export account;
- the exporter's name;
- the unit of measure and quantity of goods;
- the estimated value of the goods in Canadian dollars;
- a detailed description of the goods;
- the goods' country of origin; and
- a bar-coded transaction number that you affix to the invoice.

See the section called "Release on minimum documentation (RMD)" on page 7 of this guide for details on the RMD process.

Form B3, *Canada Customs Coding Form*

To account for commercial goods, you usually have to document the importation on Form B3, which must include:

- your importer name and the import/export account;
- a description of the goods;
- the direct shipment date;
- the tariff treatment;
- the country of origin;
- the tariff classification;
- the value for duty;
- the appropriate duty or tax rates; and
- the calculation of duties owing.

Determining some of these elements, including tariff classification, value for duty, and the origin of your goods, may be more complex. For more details on these elements and how we can help you, see Appendix A on page 14 of this guide.

As a new importer, you may need help completing Form B3. In the brochure called *Importing Commercial Goods Into Canada*, we have provided step-by-step instructions on how to complete Form B3. You can also refer to Memorandum D17-1-10, *Coding of Customs Accounting Documents*.

Import permits, health certificates, or forms other federal government departments require

Some goods are subject to the requirements of other federal government departments and may need permits, certificates, and examinations. We administer the import portions of legislation on behalf of these departments.

For example, the Canadian Food Inspection Agency examines and gives permits for some meat products, and

all restricted or controlled drugs require an import permit from Health Canada.

The Department of Foreign Affairs and International Trade requires import permits for goods such as textiles and clothing, agricultural and steel products, and some food items such as dairy products, poultry, and eggs.

At the CCRA, we:

- verify the permits or conduct inspections on behalf of the other federal departments; and
- detain the goods if necessary.

Please contact the appropriate federal government department to determine what, if any, documentation you need. For details on other federal government requirements, see the Memoranda D19 series.

Certificates of origin

We use certificates of origin to support the tariff treatment you claim on Form B3. The tariff treatment is linked to several trade agreements which may benefit you, since they offer lower duty rates. It is not necessary to present the certificate at the time we release your shipment, but you must possess the certificate when you account for your shipment.

There are four main types of certificates of origin:

- **Certificates of origin for NAFTA, CIFTA, or CCFTA**

  You must have a certificate of origin if you are claiming lower customs duty rates for goods from the United States or Mexico under the terms of the North American Free Trade Agreement (NAFTA), a Canada – Israel Free Trade Agreement (CIFTA) certificate of origin if you are claiming lower customs duty rates for goods from Israel or another CIFTA beneficiary, or a Canada-Chile (CCFTA) certificate of origin.

  A representative of the manufacturer who is familiar with the manufacturing process and who can attest that the shipment qualifies for lower duty rates under NAFTA, CIFTA, or CCFTA should complete the certificate.

  While we do not ask for NAFTA, CIFTA, or CCFTA certificates of origin for release or accounting of your goods, you must keep a valid certificate with your customs records and present it to us on request.

  If your shipment is valued at less than $1,600, you can use a signed statement on your invoice from the exporter, instead of a formal certificate of origin. (NAFTA only)

- **Form A, *Certificate of Origin* or the *Exporter's Statement of Origin***

  This certificate of origin applies to goods covered by the General Preferential Tariff (GPT) or the Least Developed Country Tariff (LDCT). It is issued by the exporter in the country where the goods originated.

For more details on the certificate of origin, see the Memoranda D11 series.

Paying Cash

If you choose to pay cash, we will release your goods after we determine that all your accounting documents are accurate and complete, and after we receive your payment.

We will then update your payment record in our computer system, which will print a detailed coding statement (DCS). You will receive a stamped copy of the DCS that shows "duty paid." This copy is your receipt.

You can use a major credit card to pay duties owing for amounts up to $500. We will also accept uncertified cheques for amounts up to $2,500 if you meet the following conditions:

- you have two pieces of personal identification, one of which is a major credit card or valid Canadian driver's licence;
- not more than one cheque you previously issued to Revenue Canada or the CCRA was returned for non-sufficient funds (NSF);
- the payment you are making is not for a penalty;
- the cheque is from a recognized Canadian financial institution; and
- the cheque is not written by or payable to a third party.

When you do not meet all of the above criteria, we will accept uncertified cheques for amounts up to $500. If we have not allowed you to present uncertified cheques for amounts owing up to $2,500 because you breached one or more of the above conditions, we will resume this privilege one year after the date of your last NSF cheque.

A number of customs offices across Canada have also been equipped to accept debit card payments. As not all customs offices provide this payment option, it is advisable that you contact your local customs office to determine if the debit card payment option is available.

You can also choose to have a broker pay on your behalf.

Accounting

You have to present your final accounting package no later than five business days after we release the goods. For details, see the section called "Step 5 – Accounting for Your Shipment" on page 9.

Payment

To pay any duties owing on goods we release under RMD:

- you can pay every month based on our monthly bill; or
- you can make any number of interim payments based on the daily statements we send you.

Remember that, when you post security to use the RMD option, you have uncertified cheque privileges for any amount owing. We will bill you monthly, on Form K84, *Importer/ Broker Account Statement*, for all accounting packages we processed between the 25th of one month and the 24th of the following month. Your payment is due on the last business day of that month.

Penalties

If you do **not** present your accounting package or if our computer is unable to validate the package within the five-day time period, we will charge you a late-accounting penalty for each shipment. If you repeatedly file your accounting package late, you may receive a notice requiring you to account for the goods on time for a specified period. If you fail to comply with the notice, you will receive an additional penalty.

Interest

If you fail to pay duties within the prescribed time frame, we will charge you interest at a specified rate on the outstanding overdue balance. You will receive a notice that requires you to pay duties owing within a specified time period.

Correcting your accounting package

Once you give us your final accounting package, we key it into our computer system, which will print a DCS that highlights any errors in coding and calculations, and briefly explains how to correct the error.

When we find errors, we will return the accounting package to you for correction.

Step 6 – Warehousing or Storing Your Shipment

After your carrier reports a shipment to us, you may want to move it inland to a licensed warehouse facility for customs release. This means that goods can be moved beyond the border or an airport without having cleared customs, but remain under customs control.

Sufferance warehouse

Sufferance warehouses are privately owned and operated facilities licensed by the CCRA for the short-term storage and the examination of imported goods pending release from customs. Sufferance warehouse keepers charge user fees to their clients for storage and handling. Your goods may stay in a sufferance warehouse for up to 40 days.

For details, see Memorandum D4-1-4, *Customs Sufferance Warehouses.*

Bonded warehouse

You can place both imported and domestic goods destined for export in a customs bonded warehouse for up to four years if, for example, you imported them on a consignment basis, if they serve as inventory, or if you plan to export them. These facilities provide you with a complete deferral of all duties (including the GST) while the goods remain in the warehouse and if you then export the goods. Duties are payable only on the portion of goods that enter into the Canadian economy.

The goods may undergo the following value-added alterations in a bonded warehouse:

- labelling and marking;
- packaging and repackaging;
- testing and separating defective from prime quality goods;
- diluting, cutting, slitting, trimming, and filing; and
- disassembling or reassembling goods which have been disassembled for packing, handling, or transportation.

Bonded warehouses are one component of the duty deferral program. See Appendix A for more details.

For more information, see Memorandum D4-1-0 and Memorandum D4-1-2, *Customs Bonded Warehouses Regulations.*

Place of safekeeping

If you do not claim your goods from the sufferance warehouse after 40 days, we transfer them, at your expense, to a place of safekeeping. If this happens, we notify you that if your goods are not formally released and accounted for or exported within 30 days from the date of the notice, they will be forfeit to the federal government to dispose of accordingly. You are responsible for all reasonable expenses incurred by the CCRA in the disposal of your goods where they are disposed of other than by sale. For details see Memorandum D4-1-5, *Storage of Goods Regulations.*

Step 7 – Determinations and Dispute Resolution

Completing your accounting information

When importing goods, it is your responsibility to ensure that the information declared in your accounting data is correct. Enter the tariff classification, origin and value for duty of the imported goods. When the final accounting data has been accepted, a deemed determination on the tariff classification, origin and value for duty of the goods will be made.

Self adjustments

If you think you have made an error in the accounting information, and we have not made a re-determination, you are required to correct the information within 90 days after you discover the error where the change is revenue neutral or you owe us money. If a change in the accounting information results in a refund of duties or taxes paid to us, an application for a refund can be filed in most cases up to four years from the date the goods were accounted for.

When the self-adjustment results in additional duties owing, you must pay this amount and the applicable interest. For self-adjustments which reduce the amount of duties payable, we will refund the customs duties and the applicable goods and services tax credit or rebate will be made.

The detailed adjustment statement (DAS)

If we need to adjust your accounting package, including to confirm changes you have requested, we will let you know by sending you a DAS. On this statement, we will ask you to submit within 30 days any additional duties owing and interest payable because of the adjustment. We also use the DAS to inform you of any refunds due to you, as well as any interest owing. A DAS is also sent to you even when the adjustment is non-revenue and does not result in any change to duty amount

Re-determinations

We may re-determine or further re-determine the tariff classification, value for duty, and country of origin you have reported for your shipment. This re-determination may be done before you have made any self-adjustments or it may be done after you have self-adjusted your accounting information. In most cases, we have four years from the date of accounting to re-determine the tariff classification, origin, or value for duty of the goods.

If you do not understand the reason for our re-determination, you may contact the officer who made the decision. If you disagree with the decision, you may ask us to review it by filing a dispute notice.

Disputing a decision within the Canada Customs and Revenue Agency

As the importer, you or your representative has the right to ask for an impartial review of most decisions we make on the tariff classification, origin, or value for duty of imported goods. An appeals officer will make a decision on behalf of the Commissioner of the CCRA.

If you want us to review a decision, you must, by law, make your request no later than 90 days after the date we made the initial decision. Generally, you must use Form B2, *Canada Customs – Adjustment Request*. You can however use a letter to dispute the tariff classification of certain prohibited goods. You may present your dispute notice, addressed to the Appeals Division, to any customs office in Canada, although we prefer that you present it at a customs office in the region where the goods were released.

For more information, see Memorandum D11-6-7, *Importers' Dispute Resolution Process for Origin, Tariff Classification, and Value for Duty of Imported Goods*.

Your appeal rights

If you do not agree with the Commissioner's decision, you have the right to appeal it. If you are appealing a decision that **does not** relate to prohibited goods classified as obscene, child pornography or hate propaganda, you must appeal to the Canadian International Trade Tribunal (CITT). To do so, file a written appeal notice with the Commissioner **and** the Secretary to the CITT no later than 90 days after we issue the Commissioner's decision.

The CITT is an independent quasi-judicial tribunal that reviews disputes from importers or Canadian producers. It also acts as an impartial body to which policy departments, like the Department of Finance Canada, can refer certain issues for resolution. The CITT posts hearing notices in the *Canada Gazette* at least 21 days before any hearing.

If you contact the Secretary to the CITT before a hearing, you can appear at the hearing to explain how the matter affects your business.

On a point of law, you can appeal the CITT's decision to the Federal Court of Appeal no later than 90 days after the CITT issues its decision.

If you do not agree with the Commissioner's re-determination decision that **does** relate to obscenity, child pornography or hate propaganda, you have the right to appeal it to a provincial court of jurisdiction. To do so, you must file a written appeal notice with the Commissioner **and** the clerk of the provincial court of jurisdiction no later than 90 days after we issue the Commissioner's decision.

On any question of law, you can appeal the provincial court of jurisdiction's decision to a higher court no later than 90 days after the court issued its decision.

You are responsible for administrative court costs and your legal fees for appeals to the CITT, the Federal Court of Appeal, and the provincial court of jurisdiction unless otherwise ordered by the Court.

hen you import goods by mail that are worth $20 or less, they are exempt from duties under the *Postal Imports Remission Order*.

Postal imports valued at less than $1,600

Canada Post will deliver to you any commercial postal shipments worth less than $1600. With this delivery, Canada Post will provide Form E14, *Customs Postal Import Form*, on which we will have rated each item in advance and listed the duty rate that applies. This form shows the tariff classification, the duty rate, value for duty, and the total duties and taxes owing on the imported goods.

For goods imported by mail, Canada Post provides the CCRA with information, presents the goods for examination, and collects and remits any duties owing on your behalf. Canada Post charges you a $5 fee ($8 for priority post shipments) to offset some of the costs it incurs to perform these functions.

If you disagree with the assessment shown on Form E14, you have two options:

- You may request a refund **after** payment of duties and taxes by presenting an adjustment request (Form B2G) and we will review your request; or

- You may request a review **before** payment of duties and taxes by checking the "Return to customs" box on the E14 form. Once Canada Post returns the parcel to us, we will contact you, and if duties and taxes still apply, we will review the E14 form. Canada Post will then deliver the mail item to you a second time and collect any duties owing.

For more complete details on importing by mail, see the Memoranda D5 series.

Postal imports valued at $1,600 or more

We will notify you when any postal shipment worth $1,600 or more arrives. You must present your RMD package or full accounting documents with payment to your nearest customs office before we can release the goods.

For more information, see the section called "Step 5 – Accounting for Your Shipment" on page 8.

Importing by Courier

If you import goods worth $20 or less by courier, they are exempt from duties under the *Courier Imports Remission Order*. This exemption does not include alcohol or tobacco. For more details, see Memorandum D8-2-16, *Courier Imports Remission Order*.

Courier imports valued at less than $1,600

Many international couriers who transport large volumes of low-value goods participate in the Courier/Low-Value Shipment (LVS) Program.

Unless we examine your shipment, we can almost instantly release commercial goods you import via couriers participating in the LVS program if:

- the goods have an estimated value for duty of less than $1,600 and are **not** prohibited, controlled, or regulated;
- the courier has a written undertaking with you that authorizes delivery to you after we release the goods under the program; and
- you have posted security with us.

When we release shipments under the courier LVS program, the courier reports all shipments arriving at the same time on a consolidated cargo release list. The list identifies the importer for each shipment. The courier will advise you of your shipment's arrival.

You have to submit your consolidated accounting package to us no later than the 24th day of the month after the month in which we released the goods. You must pay any duties owing at the end of the month in which you accounted for the goods.

For more details on LVS shipments, see Memorandum D17-1-2, *Low Value Commercial Goods*.

Courier imports valued at $1,600 or more

The courier will notify you when any shipments arrive that are worth $1,600 or more. You must account for the goods and pay the duties with cash, certified cheque, or uncertified cheque for amounts up to $2,500 before we can release them.

If you have RMD privileges, the courier can immediately deliver your goods after we release them. See the section called "Release on minimum documentation (RMD)" on page 7 for details.

For more information on accounting for your shipment, see the section called "Step 5 – Accounting for Your Shipment" on page 8.

Protecting Canadians

At the CCRA, we enforce import laws and regulations to protect the social and economic well-being of Canadians and Canadian businesses.

It is in your best interest to find out as much as possible about reporting, releasing, accounting, and paying duties to make sure you conduct your business within the law. Doing business correctly each time you import will save you and the CCRA time and money.

Compliance means faster service

We believe that most of our clients voluntarily comply with the law once they understand their obligations and know how to meet them.

When you comply with the law, your goods will be subject only to the occasional random examination, which reduces your goods' release time and your business costs.

To determine if you, your goods, or your carrier is high-risk or low-risk, we maintain compliance and commodity profiles to target shipments for examination based on risk-management principles.

Penalties for non-compliance

At the CCRA, we recognize that some people willfully attempt to break the law by falsifying accounting documents, smuggling, misdescribing, or undervaluing goods.

For those who contravene the law, the *Customs Act* allows us to seize the goods **and** the vehicles in which they were transported.

The severity of action we take for smuggling commercial goods depends on the circumstances surrounding the violation. To be fair and consistent, we judge each case against established parameters. We will prosecute for more serious offences, like fraud.

If you contravene the law, you can expect us to examine your goods more frequently until you establish a record of compliance.

Settling disputes

You can appeal if you disagree with the reasons why we have seized your goods. To take advantage of this dispute-settlement mechanism, you have to submit a letter indicating that you intend to appeal the seizure. You have 30 days from the seizure date to submit this letter to us. You can present additional information to support your appeal at a later date.

If you disagree with our final decision, you have 90 days from the decision date to file a claim statement with the Federal Court of Canada justifying your appeal.

Need More Information?

For more information:

- call the CCRA's ACIS. For more information and telephone numbers, see Appendix C on page 18 of this guide;
- pick up copies of other CCRA publications; or
- visit our Web site at: **www.ccra-adrc.gc.ca**

Your Comments or Suggestions

We are committed to providing you with quality service in an accessible, dependable, and timely way. If you have any comments or suggestions about the service you receive, ask to see the superintendent at the customs office where you received the service. The superintendent will look into the matter for you. You can also write to the appropriate manager at a customs office, or to:

The Commissioner
Canada Customs and Revenue Agency
Ottawa ON K1A 0L5

Appendix A – Form B3 Elements

Our staff members can help you determine the proper tariff classification, value for duty, origin, and the duty and tax rates that apply, and will provide written rulings on request. You can contact us by calling the CCRA's ACIS and speaking to an agent. The agent will refer you to a staff member who specializes in these matters. You can find this number in "Appendix C" of this publication, or under the listings in the government section of your telephone book.

Value for duty

The value for duty is essentially the price you pay for the goods (selling price) converted to Canadian funds, with certain additions or deductions. Examples of additions to the selling price include amounts you pay for royalties and licences and selling commissions. Examples of deductions include amounts for volume discounts you receive and brokerage fees the vendor pays.

The transaction value method is Canada's primary system of valuing imported goods, and is based on an internationally approved set of rules under the World Trade Organization (WTO) Agreement, also known as the General Agreement on Tariffs and Trade (GATT), to which Canada and most of its major trading partners are parties.

To use the transaction value method, a sale in the country of origin for export to Canada must have taken place, and there must be a price paid or payable for the goods.

In rare cases when you cannot use the transaction value method, you must use other methods to determine the goods' value for duty. For more information on these valuation methods, see Memorandum D13-3-1, *Methods of Determining Value for Duty*.

For more details on how to determine the value for duty of your shipments, see the Memoranda D13 series.

Tariff classification

Many trading countries, including Canada, the United States, Japan, and Great Britain, use the harmonized system (HS) of classification. In Canada, the classification number consists of 10 digits:

- the first six digits are standardized or harmonized for all countries using the international tariff;
- the seventh and eighth digits are for Canadian trade purposes; and
- the last two digits are the statistical suffix.

Example
The tariff classification for ladies' all-leather shoes is:

6403.59.90.92

6403.59 – the international tariff number

90 – Canadian number for trade purposes

92 – the statistical suffix

On your invoice, there has to be enough detail for you to identify the goods, determine the quantity, and correctly establish the tariff classification. If the invoice contains these details, you can avoid later reassessments of duties.

Once you have identified the goods, you can determine the tariff classification number by referring to the *Customs Tariff* and its explanatory notes. Please keep in mind that these international notes are written in British English, so it may be difficult to find certain information. For example, if you want information about trucks, you would find details under "lorry," the British word for truck.

It is important that you use the correct tariff classification number and statistical suffix. We are responsible for providing trade information to Statistics Canada. The information which Statistics Canada extracts from the invoice and Form B3 helps to paint a true picture of Canada's economic situation. This information is used nationally to establish monetary policy and promote Canadian interests abroad, and internationally by foreign investors who are considering Canada for potential business.

Therefore, all data must be accurate, especially for shipments from the United States, since that country exchanges import data with us.

Special classification provisions in Chapter 99 of the *Customs Tariff* are unique to Canada and provide importers with lower rates of duty. These classification provisions eliminate or reduce the customs duty rate for qualifying goods under specific conditions, such as the end-use of the goods in Canada. Once you have determined the initial 10 digit classification number in Chapters 1 to 97, you should verify whether your goods qualify for classification under a Chapter 99 special classification provision.

You can find copies of both the *Customs Tariff* and the explanatory notes at most customs office. For more details on Canada's classification system, see the Memoranda D11 series.

Origin

The country of origin of your goods determines the trade agreement under which they qualify, and the tariff treatment they will receive. Depending on the country of origin and whether that country is a partner in a trade agreement with Canada, some goods may receive a preferential or lower customs duty rate.

Once you establish the tariff treatment and tariff classification of the goods, you can determine the customs duty rate that applies.

For more information on the rules of origin and tariff treatments, see the Memoranda D11 series.

Duties relief

You can take advantage of CCRA's drawback, refund, and remission programs, which are collectively known as duties relief programs. You can use them to reduce, eliminate, or

defer customs duties on qualifying goods. These and other programs enable Canadian businesses to compete more favorably in the world market.

Drawback

Drawback programs allow eligible claimants to receive a full or partial drawback of duties paid on items which, in some cases, you import to manufacture goods you will later export. Drawbacks are also available for qualified goods you use for specified purposes and that are consumed in Canada. For more information on drawbacks, see the Memoranda D7 series.

Duty deferral program

Under the duty deferral program, you can defer paying duties on goods for export or that you use to process goods you later export. You must apply to participate in this program.

Refunds

We can grant refunds of full or partial duties you paid on exported or destroyed goods, defective goods, shortages, or equipment you removed from the goods and returned to the manufacturer for credit. For more information on refunds, see the Memoranda D6 series.

Remissions

At the CCRA, we administer a variety of legislation, including remission orders and orders-in-council. All goods entering Canada, even those imported temporarily or exported temporarily, are subject to duties on their full value, unless there is a specific provision in legislation or regulation that entirely or partially relieves you of this obligation. Some of this legislation may apply only to goods imported by a specific importer. Remissions programs include the following programs.

Temporary importation programs

Under the temporary importation programs:

- goods you temporarily import for a trade show can enter duty-free;
- goods you temporarily export to the United States for warranty repair can enter duty- and tax-free; and
- goods you temporarily import to use in an emergency can enter duty-free. (You have to export any goods not consumed or destroyed during the emergency when they are no longer required.)

Temporary exportation programs

The Canadian Goods Abroad program allows for the partial or full relief from payment of duties on goods that you export for repairs, additions, or work done abroad and that are later returned to Canada, as long as you meet specific conditions.

The *Repair Abroad of Canadian Civil Aircraft, Canadian Aircraft Engines and Flight Simulators Remission Order* outlines and explains the conditions under which remission is granted on the difference between the tax paid or payable and the duty paid or payable on the value of the repair for the goods that you exported for repair.

The *Tariff Items Nos. 9971.00.00 and 9992.00.00 Accounting Regulations* set out the customs duty rates we levy on goods, regardless of origin, which are returned to Canada after being exported to the United States, Mexico or Chile for alteration or warranty or non-warranty repairs.

Goods originating in Canada or goods which have been accounted for and released that have been exported, may be returned to Canada under tariff item Nos. 9813.00.00 or 9814.00.00 respectively if they have not been advanced in value or combined with any other article abroad.

Appendix B – Other Service Options

We offer a range of service options to established importers. Many of these processes involve EDI technology, and replace the standard paper alternatives available to clients with release on minimum documentation (RMD) privileges.

Line release

The following line release options speed up the release processing times of commercial goods and reduce traffic congestion at border crossings.

Prearrival Review System (PARS)

The Prearrival Review System (PARS) is one option of the line release process which is available to importers. The PARS release information contains the shipment's estimated time and date of arrival, the invoice data and the original copy of any required permits.

You can submit PARS documentation/data up to 30 days before the goods arrive in Canada, so we can process the documentation and enter the cargo control number and either a recommendation for release or examination into our computer system. The release recommendation will be ready when your goods arrive if you submit your PARS request at least:

- EDI 1 hour in advance
- Paper 2 hours in advance

When your shipment arrives, we will release it in minutes unless an examination is required.

For details on line release, see Memorandum D17-1-5, *Importing Commercial Goods*.

Frequent Importer Release System (FIRST)

FIRST is the other line release option. If you have established a sound compliance record, you can apply for FIRST privileges to obtain release of low-risk, low-revenue shipments that you import on a regular basis. If you qualify, we give you an authorization number which appears on your pre-approved import document that identifies your FIRST shipments.

When the goods arrive at the border, the carrier presents the import document with the bar-coded authorization and transaction number, a description of the goods, and related invoices. We input the bar code into our computer system to confirm that you have FIRST privileges for the goods on hand. The customs officer then decides whether to release the shipment or refer it for examination.

Release Notification System (RNS)

The Release Notification System includes four features: automatic release notification, arrival certification, status query, and automatic status.

If you are authorized to use the automatic release notification feature of RNS, you can have data confirming release of your goods electronically transmitted in the United Nations Electronic Data Interchange for Administration, Commerce and Transportation (UNEDIFACT) message format to your EDI mailbox using a third-party EDI network, also known as a value-added network (VAN), through the Customs Internet Gateway or through CADEX telecommunication lines. The RNS message can be used to update your systems to schedule deliveries or initiate the preparation of accounting data, as well as to electronically notify other parties affected by the release and ensure more timely delivery of your shipments.

If you are approved to use arrival certification, you can establish two way electronic communication to notify us of the arrival of commercial shipments. You can also verify if we have processed the release documents for your shipment using the status query feature or by receiving an automatic status message. If you choose to transmit an arrival certification message we can advise you whether the goods have been released or referred for examination.

Electronic data interchange (EDI) release

EDI release allows you to electronically transmit release data, including invoice information, to the Accelerated Commercial Release Operations Support System (ACROSS). A customs officer reviews the information and transmits the release decision back to you via the RNS/CADEX Release Notification Report. For more information on EDI release, contact the Electronic Commerce Unit in Ottawa at 1- 888- 957-7224 or see the brochure called *Using Electronic Data Interchange for Your Customs Releases*.

Customs Internet Gateway

The Customs Internet Gateway went into production on July 31, 2000. It is an alternative way of transmitting customs data. Clients can apply to transmit their CADEX B3 accounting data, ACROSS release data, send arrival messages and receive their RNS release messages over the Internet. For more information, contact the Electronic Commerce Unit at 1-888-957-7224 or visit the Web site at: **https://reg-pki-ext.ccra-adrc.gc.ca/pki/welcome.htm**

Foreign Affairs/Customs Automated Permit System (EXCAPS)

Under EXCAPS, importers/ brokers apply for a permit with the Department of Foreign Affairs and International Trade (DFAIT). DFAIT then electronically transmits the permit information to our ACROSS. The importer/broker transmits the release information and ACROSS matches the release data to the EXCAPS permit. A customs inspector then processes the release and permit information, and once the goods are released, a notice is returned to DFAIT informing them that the permit has been used.

Customs Automated Data Exchange (CADEX) system

At the CCRA, we offer an alternative to presenting paper copies of Form B3, *Canada Customs Coding Form*. We process 96% of all the B3 forms we receive using the CADEX system. This system also provides you with access to reports and files to assist in the electronic preparation of Form B3.

If you receive authorization to use CADEX, you can electronically transmit your Form B3 information directly to our computer system over telecommunications lines.

Customs Declaration (CUSDEC)

This is another way to electronically transmit accounting data. CUSDEC is an international format that uses UN/EDIFACT, and operates in a manner similar to CADEX.

EDI marine and rail cargo systems

The EDI marine cargo and rail systems allow marine and on rail carriers and agents to electronically transmit vessel and cargo report data to the CCRA 7 days a week, 24 hours a day, standard, ANSI X12.

For more information on EDI, marine and rail cargo, CADEX, CUSDEC or RNS, contact the manager in Ottawa at (613) 954-6341.

Customs/Canadian Food Inspection Agency (CFIA) interface

Commodities that have requirements from this agency may be released by EDI in some locations. The interface is serving as a model for the development of similar arrangements with other government departments. If you are interested in finding out how to participate in this interface, contact the manager in Ottawa at (613) 952-2996.

Commercial Cash Entry Processing System (CCEPS)

The Commercial Cash Entry Processing System is a self-serve automated system designed to facilitate the document preparation process required for the clearance of commercial importations. Personal computers are located at counters in designated customs offices. Based on importation information that you input for your goods, CCEPS calculates the applicable duties and taxes. It then generates a completed hard copy of Form B3.

A customs officer enters the data from Form B3 into the ACROSS and forwards the form to the cashier. Once you have accounted for the goods, you will receive a copy of the form stamped "duty paid" and you can take delivery of your goods.

Small Business Customs Library

The Small Business Customs Library (SBCL) is a CCRA Internet site that provides an electronic customs service 7 days a week, 24 hours a day.

The SBCL contains general information on importing and exporting, including tariff treatments, duty rates, an exchange rate converter, Customs Notices, and news releases. You can also access connections to other Internet sites such as other government departments, foreign customs administrations, transportation and freight forwarder sites.

You may be able to complete and print Form B3, and submit it to your local customs office. You can also print such forms as Form A and Form B2, *Canada Customs – Adjustment Request*, and complete them by hand.

In the future, you may be able to complete your own customs transactions over the Internet, pay duties electronically, and obtain release of imported goods from your own office.

Appendix C – Automated Customs Information Service (ACIS)

The ACIS is a computerized, 24-hour telephone service that automatically answers all incoming calls and provides general customs information. You can use a Touch-Tone™ telephone to hear recorded information on a variety of customs topics such as personal importations, travellers' exemptions, commercial importations/exportations, postal information, currency exchange rates, CANPASS, and trade agreements.

The service is available in both official languages. If you call during office hours, you can speak directly to an agent if you need more specific information.

If you use a rotary-dial telephone, you cannot hear the ACIS recorded information. However, if you call the ACIS during office hours, your call will be transferred directly to an agent.

You can access the ACIS free of charge throughout Canada by calling 1-800-461-9999. If you are calling from outside Canada, you can access the ACIS by calling (204) 983-3500 or (506) 636-5064. Long distance charges will apply.

For more information on ACIS , see the pamphlet called RC4040, *Automated Customs Information Service*.

IMPORTATION OF FOOD, ANIMALS, AND PLANTS

The Canadian Food Inspection Agency delivers federal inspection services related to food safety, plant protection and animal health. We do this under the authority of 13 federal acts and 34 sets of regulations and meet our responsibilities through 14 distinct programs. We are Canada's largest science-based regulator.

Most agricultural commodities are allowed entry into Canada, provided they comply with certain restrictions, and are accompanied by adequate documentation. Examples of this documentation include import permits, phytosanitary and zoosanitary certificates, grading and inspection certificates, and/or licences. These requirements vary according to origin/destination/commodity combinations.

In addition, importation of used agricultural equipment, farm machinery, and other articles that may contain soil is prohibited. Care should be taken to ensure that such machinery is clean and free from soil and other debris.

For complete requirements visit the Canadian Food Inspection Agency web site at www.inspection.gc.ca and click on the Automated Import Reference System to access the interactive tool. You may wish to contact one of the Agency's three Import Service Centres. These service centres process documentation as well as handling inquiries regarding imort requirement for all commodities inspected by the CFIA.

IMPORT SERVICE CENTRES ACROSS CANADA

Eastern ISC
7:00 a.m. to 11:00 p.m.(local time)
Telephone: 1-877-493-0468 (inside Canada or U.S.)
1-514-493-0468 (all other countries)
Fax: 1-514-493-4103

Central ISC
7:00 a.m. to 12:00 a.m.(local time)
Telephone: 1-800-835-4486 (inside Canada or U.S.)
1-905-612-6285 (all other countries)
Fax: 1-905-612-6280

Western ISC
7:00 a.m. to 12:00 a.m.(local time)
Telephone: 1-888-732-6222 (inside Canada or U.S.)
1-604-666-9240 (all other countries)
Fax: 1-604-270-9247
EDI: 1-604-666-7073

Additional restrictions may apply under the Convention of Endangered Species of Wild Flora and Fauna (CITES) They may be contacted at: 1-800-668-6767 or www.cws-scf.ec.gc.ca/cites.

TAX ISSUES

The information contained in this section of the manual has been prepared by Finance Canada and briefly highlights four main areas in which Canadian tax obligations may arise for foreign motor carriers domiciled in the U.S. or Mexico, and operating into Canada.

Foreign motor carriers are advised to consult with an appropriately qualified tax professional for an opinion on the tax obligations arising from their specific circumstances.

The following professional associations may be able to refer you to an appropriately qualified Canadian tax professional:

The Canadian Institute of Chartered Accountants
277 Wellington Street West
Toronto, ON, M5V 3H2 CANADA
Tel: +1 (416) 977-3222
Fax: +1 (416) 977-8585
http://www.cica.ca/cica/cicawebsite.nsf/public/homepage

Certified General Accountants
CGA-Canada
700-1188 West Georgia St
Vancouver, BC V6E 4A2 CANADA
Telephone: (604) 669-3555 or 1-800-663-1529
Fax: (604) 689-5845
http://www.cga-canada.org/

Canadian Bar Association
CBA National Office
The Canadian Bar Association
902-50 O'Connor Street
Ottawa, Ontario K1P 6L2
Tel: (613) 237-2925 or (613) 237-1988 or 1-800-267-8860
Fax: (613) 237-0185
E-mail: info@cba.org

1. Fuel Tax

The Federal government imposes an excise tax of 10 cents per litre on gasoline and 4 cents per litre on diesel fuel. For more general information, consult the publication "Catalogue of Federal, Provincial and Territorial Taxes on Energy Consumption and Transportation in Canada" available on-line: http://www.fin.gc.ca/toce/2001/sdscat_e.html

Provincial fuel taxes vary, and are coordinated by the International Fuel Tax Agreement. See Section 5 of this manual for more information and contacts.

2. Goods and Services Tax/Harmonized Sales Tax (GST/HST)

The GST/HST is a federal consumption tax that applies to most goods and services sold in Canada. Generally, persons carrying on a business in Canada are required to register and collect GST/HST on their sales of goods and services made in Canada and claim back, in the form of a credit, any GST/HST paid on business expenses (e.g., fuel and repairs).

A non-resident person, such as a Mexican trucking company, may be required to register with the Canada Customs and Revenue Agency (CCRA) for GST/HST purposes depending on their amount of business activity in Canada. Further information on how the GST/HST applies to non-resident persons may be found in the publication *Doing Business in Canada – GST/HST Information for Non-Residents.*

http://www.ccra-adrc.gc.ca/E/pub/gp/rc4027eq/rc4027eq.html

The GST/HST applies to all domestic freight transportation services supplied in Canada. However, international freight services, including both outbound and inbound freight services, are GST/HST free. For further information on how the GST/HST applies to the freight services industry, please see the publication entitled *GST/HST Information for Freight Carriers.*

http://www.ccra-adrc.gc.ca/E/pub/gp/rc4080ed/rc4080ed.html

Generally, all goods imported into Canada are subject to GST/HST on the duty-paid value at the time of importation. However, trucks involved in the international commercial transportation of goods can be imported into Canada GST/HST free provided the vehicle is not subsequently used in the making of domestic freight transportation services. For a discussion on these rules please see the publication *GST Memorandum 300-8: Imported Goods.*

http://www.ccra-adrc.gc.ca/E/pub/gm/g300-8em/README.html

For clarification on any of the above or any other GST/HST related questions, do not hesitate to contact the CCRA by calling **General GST/HST Enquiries** at one of the following toll-free numbers: 1-800-959-5525 (English service) or 1-800-959-7775 (French service).

3. Business Tax (Taxation of Foreign Land Transportation Companies in Canada)

Foreign land transportation companies whose vehicles come into Canada in the course of their business, in effect those based in the U.S. and in Mexico, are generally not subject to federal or provincial corporate income taxes in Canada.

Profits of U.S.-based land transportation companies are exempt from the federal corporate income tax in Canada by virtue of Article VIII of the Canada-U.S. tax treaty, which provides that such corporations should be taxed exclusively in the country where they reside.

By virtue of Article VII of the Canada-Mexico tax treaty, profits of Mexico-based land transportation companies are exempt from the federal corporate income tax in Canada to the extent they are not attributed to a permanent establishment of those companies situated in Canada. A foreign-based land transportation company usually does not conduct its business in Canada through a permanent establishment situated therein.

Foreign land transportation companies that do not have any permanent establishment in Canada are in effect exempt from provincial corporate income taxes in Canada.

4. Personal Income Tax

Employees of Mexican trucking companies, who are residents of Mexico, almost certainly will pay no Canadian income tax on their salaries, wages and similar remuneration derived from their employment activities (trucking) carried on in Canada. Pursuant to paragraph 2 of Article 15 of the Canada-Mexico tax treaty, a resident of Mexico can earn employment income in Canada without Canadian tax, as long as the employee is present in Canada in the aggregate for less than 183 days in any twelve month period commencing or ending in the calendar year concerned and:

(1) the salary or wages are paid by or on behalf of a Mexican resident (i.e. the trucking company) that doesn't carry on business in Canada through a permanent establishment, or

(2) such remuneration earned in Canada totals less than CDN $1500 in the calendar year concerned.

In the case of remuneration earned by U.S. trucking employees, the exemption from Canadian taxation is even more straightforward. Pursuant to paragraph 3 of Article XV of the Canada-U.S. tax treaty, remuneration derived by a resident of the U.S. in respect to an employment regularly exercised in more than one State (i.e. country) on a ship, aircraft, motor vehicle or train operated by a resident of the U.S. shall be taxable only in the U.S.